

ASX release

7 April 2017

Non-Renounceable Rights Issue – Notice to Shareholders

Following is a notice being sent to shareholders today in relation to Pioneer Credit Limited's (ASX: PNC) recently announced non-renounceable rights issue.

Investor and media enquiries:

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About Pioneer

Pioneer Credit is an Australian financial services provider, specialising in acquiring and servicing unsecured retail debt portfolios.

Pioneer began life as a financial services provider to people in financial difficulty. Today, with more than 160,000 customers across Australia and New Zealand, we continue to focus on helping people get their finances back on track and achieve their financial goals.

In 2016, we commenced the next chapter in our growth story, with the launch of a range of products to our customers. Ultimately, our aim is to help customers achieve home ownership, using loans we will broker back through our valued banking partners.

For further information about Pioneer see www.pioneercredit.com.au

7 April 2017

Dear Shareholder

Non-Renounceable Rights Issue – Notice to Shareholders

This letter is to notify you that on 6 April 2017 Pioneer Credit Limited (**Company**) announced a 1 for 20 non-renounceable pro rata entitlements issue of up to approximately 2,486,219 new shares (**New Shares**) at an issue price of \$2.00 for each New Share to raise approximately \$5 million (**Offer**).

Each eligible shareholder will be entitled to subscribe for 1 New Share for every 20 Shares held at 7:00pm (EST) on Tuesday, 11 April 2017 (**Record Date**).

Underwriting

The Offer is fully underwritten by Bell Potter Securities Limited.

Eligibility to participate in the Offer

The Offer is only open to shareholders of the Company who are registered as shareholders on the Record Date with registered addresses in Australia or New Zealand (**Eligible Shareholders**).

Shareholders with registered addresses outside Australia and New Zealand are considered ineligible shareholders (**Ineligible Foreign Shareholders**) and cannot participate in the Offer.

The Company has determined that it is not practicable for Ineligible Foreign Shareholders to participate in the Offer having regard to the number of Ineligible Foreign Shareholders, the number and value of New Shares they would be offered and the costs of complying with the regulatory requirements of those jurisdictions.

Purpose of the Rights Issue

Proceeds raised from the Offer will be used by the Company to fund Purchase Debt Portfolio acquisitions (**PDPs**) and take advantage of growth opportunities that may arise.

Offer Document and Offer Details

The Offer will be made to Eligible Shareholders without disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) (**Corporations Act**).

Full details of the Offer, including the underwriting arrangements, are set out in the offer document which was lodged on 6 April 2017 with the Australian Securities Exchange (**ASX**) (**Offer Document**).

The Offer Document is available on the Company's website www.pioneercredit.com.au or on the ASX website www.asx.com.au by searching the Company's ASX code "PNC".

T: 08 9323 5000

www.pioneercredit.com.au



A copy of the Offer Document together with a personalised Entitlement and Acceptance Form, which contains full instructions on how to accept the Offer, will be sent to shareholders on or about 13 April 2017. The Offer Document will be sent (without an Entitlement and Acceptance Form) to Ineligible Foreign Shareholders for information purposes only.

The Offer is non-renounceable which means that the entitlements to participate in the Offer are not transferable and cannot be traded on the ASX or any other exchange or privately transferred. So, Eligible Shareholders will not receive any value if they do not take up their Entitlements.

Eligible Shareholders will also be entitled to apply for additional shares above their full entitlement if there is any shortfall under the Offer.

The New Shares issued under the Offer will rank equally in all respect with existing fully paid ordinary shares on issue in the Company. Fractional entitlements will be rounded up to the nearest whole Share. The Company has applied to the ASX for quotation of the New Shares.

Key Dates

The timetable for the Offer is as follows:

Event	Date
Announcement of the Offer	Thursday, 6 April 2017
Cleansing Notice, Appendix 3B and Offer Document lodged with ASX	
"Ex" date for the Offer (being the date that Shares start trading without the Entitlements to participate in the Offer)	Monday, 10 April 2017
Record Date to determine Entitlements under the Offer	7.00pm (EST) on Tuesday, 11 April 2017
Opening Date of Offer	Thursday 13 April 2017
Dispatch of the Offer Document and Entitlement and Acceptance Form to Eligible Shareholders	
Closing Date for acceptances under the Offer	5.00pm (EST) on Monday 1 May 2017
New Shares quoted on a deferred settlement basis	Tuesday, 2 May 2017
ASX notified of under subscription under the Offer	Wednesday, 3 May 2017
Issue of the New Shares (Deferred settlement trading ends)	Monday, 8 May 2017
Trading of New Shares expected to commence	Tuesday, 9 May 2017
Despatch of holding statements for the New Shares	On or about Wednesday, 10 May 2017

The above dates are indicative only. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the closing date or to withdraw the Offer at any time without prior notice.

Effect on Capital Structure

The Company has also announced a placement of 7,458,658 new fully paid ordinary shares to sophisticated and professional investors who are not related parties of the Company at \$2.00 per share to raise approximately \$15 million (**Placement**).

The table below sets out the impact of the Offer and the Placement on the capital structure of the Company:

Shares	Number
Shares as at 6 April 2017	49,724,388
Maximum number of New Shares issued under the Rights Issue (assuming no options exercised prior to the Record Date)	2,486,219
Total issued Shares following completion of the Rights Issue	52,210,607
Shares to be issued under the Placement	7,458,658
Total issued Shares following completion of the Rights Issue and the Placement	59,669,265

You should carefully consider the Offer Document and consult with your professional advisers as required in deciding whether to participate in the Offer.

If you have any queries concerning the Offer please contact Link Market Services on 1800 500 095.

Thank you for your continued support of Pioneer Credit Limited.

Yours faithfully



Michael Smith
Chairman