

2 September 2019

Ms Penelope Reid
ASX Limited
Central Park
152-158 St Georges Terrace
PERTH WA 6000

By email: tradinghaltsperth@asx.com.au

Dear Penelope,

PIONEER CREDIT LIMITED (ASX: PNC) – REQUEST FOR SUSPENSION EXTENSION

Pioneer Credit Limited ('PNC' or 'the Company') refers to the request for suspension granted by the ASX on 28 August 2019.

PNC advises that it continues not to be in a position to release its financial results for the year ended 30 June 2019 and requests that the suspension of its securities be extended pursuant to Listing Rule 17.2.

As the Company noted on 28 August 2019, it is likely there will be a material difference in the Company's expected Net Profit After Taxation (NPAT) for this reporting period due to the classification and measurement of its financial assets at Amortised Cost.

While the amount and timing of cash flow recognition does not change, and while the balance sheet impact for the Company is relatively insignificant under Amortised Cost, the likely material difference in NPAT also flows to Earnings before Interest and Tax (EBIT) for the period.

This likely material difference in EBIT could result in a breach of a financial covenant under the Company's Senior Financing Facility and as the Company will now likely be suspended for more than 5 consecutive trading days, this could also result in a default under the Senior Financing Facility and also the Medium Term Notes.

The Company was advised by one of its financiers after market close on 30 August 2019 that it will not be extending its financing facility beyond the current expiry date of March 2020, and that it will not waive any breaches that may arise. The Company remains in discussions with its financiers and is working with them to reach a constructive outcome.

Given this, the Company is taking advice regarding the impact on the presentation of its financial statements.

T: 1300 720 823
www.pioneercredit.com.au

Pioneer Credit Limited
ABN: 44 103 003 505
Level 6, 108 St Georges Terrace, Perth WA 6000
PO Box 5673, Perth WA 6831

For now, business will continue as usual, including settling on forward flow contracts, which will be funded by free cashflow.

The Company is focused on realising the value of its assets for shareholders. In parallel with its financier discussions, the Company will continue to work through various other financing options, including, as previously announced, a potential change of control transaction with interested parties.

The Company requests the suspension to remain in place until the earlier of 30 September 2019 or the resolution of the discussions with its financiers and release of its financial results for the year ended 30 June 2019.

Pioneer is not aware of any reason why the suspension of its securities should not be granted or of any other information necessary to inform the market about the suspension.

Yours faithfully

A handwritten signature in black ink, appearing to read "S. Symmons". The signature is fluid and cursive, with a large loop at the end.

Sue Symmons
Company Secretary

