



VanEck Investments Limited
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24 June 2016

ASX Limited
Market Announcements Office

FUND: VANECK VECTORS AUSTRALIAN EMERGING RESOURCES ETF
ASX CODE: MVE
ANNOUNCEMENT: CHANGE OF BENCHMARK INDEX, ETF NAME AND REDUCTION IN
MANAGEMENT COSTS – EFFECTIVE 26 JULY 2016

VanEck Investments Limited announces that it will be making certain changes to MVE which are expected to be implemented on 26 July 2016.

Please refer to the attached notice to investors for details.

For more information:

- Call 1300 68 38 37
- Go to vaneck.com.au

IMPORTANT NOTICE: Issued by VanEck Investments Limited ABN 22 146 596 116 AFSL 416755 ('VanEck'). Before making an investment decision in relation to a VanEck ETF, you should read the relevant PDS and with the assistance of a financial adviser consider if it is appropriate for your circumstances. PDSs are available at www.vaneck.com.au or by calling 1300 68 38 37. VanEck is the responsible entity of the Australian domiciled VanEck ETFs which trade on ASX under the codes FDIV, IFRA, MVA, MVB, MVE, MVR, MVS, MVW and QUAL. No member of the VanEck group of companies gives any guarantee or assurance as to the repayment of capital, the performance, or any particular rate of return of any VanEck ETF. Past performance is not a reliable indicator of future performance.



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«Name» «AC_designation»
«Address_Line_1»
«Address_Line_2»
«Address_Line_3»

Dear Investor,

**VanEck Vectors Australian Emerging Resources ETF (ARSN 165 153 944 / ASX code: MVE)
Notice of change of investment objective, ETF name and reduction of management costs on or about
26 July 2016**

I am writing to you as an investor in VanEck Vectors Australian Emerging Resources ETF (ASX code: MVE) to inform you about an upcoming change to the ETF.

The current investment strategy of the ETF is to provide investors access to a diversified portfolio of liquid small energy and mining companies. MVE currently tracks the MVIS Australia Junior Energy & Mining Index (the "MVIS Index").

Over the past three years since MVE was launched there has been a structural change within the Australian small resources sector which has resulted in a significant reduction in the number of small resource companies on ASX which qualify for inclusion in the MVIS Index. At inception the MVIS Index had 65 constituents. It now has only 26.

As responsible entity of the ETF, VanEck is obligated to take reasonable steps to ensure the ETF is continually operated in investors' best interests. VanEck has a history of commodity investing going back to 1955. We have determined that continuing to track the MVIS Index is no longer in the best interests of investors as the Australian small resources sector is now far more concentrated than when the ETF launched.

We have resolved to replace the MVIS Index with the S&P/ASX MidCap 50 Index (the "S&P/ASX Index"). The S&P/ASX Index is a highly liquid and investable index offering investors a portfolio of 50 companies diversified across industry sectors and will result in the ETF continuing to provide investors with a portfolio of companies outside the S&P/ASX 50. The Appendix to this letter sets out the key differences between the MVIS Index and S&P/ASX Index.

The change to MVE's reference index is anticipated to come into effect on market open on or about **26 July 2016**. This will be confirmed by a further announcement on ASX. At the same time the ETF's name will change to "VanEck Vectors S&P/ASX MidCap ETF" and the management costs charged will reduce from 0.49% p.a. to 0.45% p.a. A replacement product disclosure statement will also be issued on ASX and our website on this date. The ETF's ASX trading code "MVE" will not change.

What does this mean for you?

You should read Appendix 1 and with your financial adviser or stock broker consider whether continuing to remain in the ETF following the change of reference index and management costs is appropriate for your individual objectives, financial situation and needs.

If you wish to remain in the ETF you do not need to take any action. If you do not wish to remain in the ETF you can sell your units on ASX at any time. This may have tax consequences.

Any questions?

If you have any questions, please contact Investor Services on 1300 68 38 37. We will make any further announcements in relation to the upcoming changes via the ASX.

We look forward to your continuing support.

Yours sincerely,

Arian Neiron
Managing Director
VanEck Australia

Appendix 1: Key differences between the MVIS Index and the S&P/ASX Index

	MVIS Index	S&P/ASX Index
Index Composition	<p>Covers companies ranking between 90% and 98% of the free-float market capitalisation of the investable universe. Individual Index components are determined using a stringent rules-based methodology focusing on liquidity, with a minimum 20 holdings and maximum weighting of 8%.</p> <p>The investable universe includes companies which are focused on physical energy commodities (such as coal, oil, gas and uranium) related services and equipment (such as drilling, pipelines, storage and transportation), power generation and renewable energy, and also companies which are focused on mining and resources (such as iron ore, coal, precious metals and other minerals) and mining related services and equipment (such as drilling, explosives, transportation and producers of mining machinery). Also included are companies with the potential to generate 50% of their revenue from mining, when developed.</p>	<p>The S&P/ASX MidCap 50 Index represents the MidCap universe for Australia.</p>
Company Eligibility	<ul style="list-style-type: none"> • Market cap exceeding US\$150 million • Three-month average-daily-trading volume of at least US\$1 million • At least 250,000 securities traded per month 	<p>The Index is comprised of all companies in the S&P/ASX 100 excluding those that are in the S&P/ASX 50.</p>
Market capitalisation bias	Small Caps	Mid Caps
GICs Sector composition¹	<ul style="list-style-type: none"> • Materials – 59.25% • Energy – 23.26% • Industrials – 9.25% • Utilities – 8.24% 	<ul style="list-style-type: none"> • Consumer Discretionary – 25.1% • Financials – 19.6% • Materials – 17.2% • Healthcare – 13.4% • Industrials – 6.3% • Utilities – 6.3% • Consumer Staples – 5.3% • Telecommunication Services – 5.1% • Information Technology – 1.6%
Number of constituents	26	50

¹ – Source FactSet as at 15 June 2016