

ASX ANNOUNCEMENT

Apiam completes acquisition of leading sheep genetics and reproduction services business

Bendigo, Australia, 6 January 2017. Apiam Animal Health (Apiam) (ASX:AHX) announces it has completed its acquisition of AllStock (NSW) Pty Ltd ("AllStock") for \$1.75 million, adding to its genetics and assisted reproduction service capabilities, in line with Apiam's growth strategy.

As part of the consideration for the acquisition, Apiam issued 439,074 fully paid ordinary shares to the owners of AllStock at a price of \$1.1957 per share, which was the 20 day volume weighted average price prior to completion. 219,537 of the shares issues are escrowed until 5 January 2018 and the remaining 219,537 shares are escrowed until 5 January 2019. The balance of the consideration for the acquisition was paid in cash.

Based in Dubbo, NSW, AllStock is one of Australia's leading sheep and goat genetics and reproduction services businesses, with export accredited facilities and leading edge technology to optimise reproduction in production animals. AllStock also has a successful on-line retail business, Eartags Warehouse, which specialises in animal identification systems, an industry that is emerging on the back of requirements surrounding traceability of production animals to minimise the impact of disease outbreaks.

This acquisition will add to Apiam's existing service offerings and the acquisition continues Apiam's strategy of enhancing the services it provides to clients via synergistic acquisitions.

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About Apiam

Apiam Animal Health is positioned in the Australian market as a vertically integrated animal health business providing a range of products and services to Production and Mixed animals. Apiam Animal Health's strategy is to service Production and Mixed animals throughout their lifecycle, including the provision of veterinary services, ancillary services, genetics, wholesale and retail of related products, together with technical services related to food-chain security.