



# Armidale Investment CORPORATION

## ASX Company Announcements

29 May 2015

The Manager  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

### DUE DILIGENCE UPDATE ON PARTIAL ACQUISITION

Further to the announcement on 23 March 2015, Armidale Investment Corporation Limited ("AIK") is continuing with due diligence on a potential vendor which may lead to a partial acquisition of an asset finance business. AIK is now in the final stages of the due diligence process under the exclusive basis agreed with the vendor. The following information is reiterated with respect to the proposed transaction from the announcement on 23 March 2015:

- The Potential Vendor is an asset finance broker/aggregator providing motor vehicle and equipment finance to consumer and commercial markets; and
- Total loans written exceed \$600 million per annum.
- AIK would take a 60% equity stake on certain components of the target business for \$18.46 million;
- The purchase consideration would be a combination of cash and in AIK scrip in a 70:30 ratio;
- \$10.17 million of the cash component would be payable at time of settlement with the balance, being \$2.75 million, payable after 12 months subject to satisfaction of warranties;
- In relation to the AIK scrip which would be issued to the vendor at settlement, 50% will be held in voluntary escrow for one year;
- The pricing of the AIK scrip would be calculated as the mid point between its Net Tangible Asset value which is February 2015 and an average share price for the three months prior to the signing of the EOI; and
- The current principals and key staff will be engaged by AIK from settlement on new employment contracts.

Further information relating to the progress of this potential acquisition will be released to the ASX as it comes to hand.

For further information please contact:

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