

## Variation of lease – Sydney premises

**2 May 2017 (Sydney):** Grays eCommerce Group Limited (ASX: GEG) advises that it has reached agreement with the landlord of its Lidcombe (Sydney) premises to vary the terms of the current lease to allow for an early exit.

Grays has now commenced a process to locate more suitable office and warehouse premises that support the Company's reduced size requirements as the B2C division is downsized (as announced on 23 February 2017). The Company anticipates that new premises will be located, and the transition to those new premises completed, by the end of the 2017 calendar year.

When the transition to new premises is complete, the Company expects that its occupancy costs will reduce with a consequent improvement in underlying profitability. Until suitable alternative premises are found and the current premises are exited, Grays will continue to incur the existing occupancy costs.

In compensation for varying the lease, Grays will receive a payment from the landlord of \$7.5 million<sup>i</sup>. These funds will be used, in part, to cover the costs of exiting the current premises and moving to new premises.

- ENDS -

**For more information please contact:**

**Investors and media**

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**About Grays eCommerce Group Limited**

*Grays eCommerce Group Limited (ASX: GEG) is one of Australia's leading eCommerce groups. By leveraging existing operations, sourcing capabilities, and eCommerce experience, Grays eCommerce Group is well positioned to be the leading online international auctioneer by unlocking real value for our business partners, vendors and customers.*

*The Company's B2B business comprises the business-facing components of the graysonline brand, the graysasset and graysmining brands, as well as DMS Davlan and Bryan Andrews Auctions. Collectively, these brands are the largest B2B online auction marketplace in the Asia Pacific region for used plant and equipment. The B2B business provides a full range of valuation and project-management functions for a range of clients including major corporations, insolvency practitioners, financiers and banks.*

*The Company also provides an auction based site for wine and other consumer product categories.*

*For further information go to [www.graysecommercegroup.com.au](http://www.graysecommercegroup.com.au) or [www.graysonline.com.au](http://www.graysonline.com.au).*

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<sup>i</sup> Payment is expected to be made into Grays' solicitors' trust account today and released to Grays soon after registration of the variation of lease by Land & Property Information NSW