

19 February 2015

By ASX online platform
Companies Announcement Office
ASX Limited
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PROPOSED DELISTING AND SELECTIVE CAPITAL REDUCTION

Resource Equipment Limited (**Company**) advises that following the on-market takeover bid by Pump Services, LLC (**Pump Services**) which concluded on 3 February 2015, the Company intends to:

- (1) seek to delist from the Australia Securities Exchange (**ASX**) as anticipated in Pump Services' bidder's statement dated 18 December 2014 and the Company's target statement dated 24 December 2014; and
- (2) allow minority shareholders to decide whether to realise their investment by way of selective capital reduction or buy back at the same price as the bid price, being 26 cents per share.

Any such action is subject to further analysis and dialogue with the ASX.

CFT (CMS) Pty Ltd and Ashsky Pty Ltd, being shareholders in the Company owning 9.75% and 8.36% each (which are controlled by Mr David Campbell and Mr Roderick Hayes, respectively), have indicated to the Company that they do not wish to participate in any selective capital reduction or buy back.

The Company expects that the delisting will require approval of shareholders in accordance with the requirements of the ASX and the capital reduction would require the separate approval of both shareholders whose shares are to be cancelled and of continuing shareholders in accordance with section 256C of the *Corporations Act 2001* (Cth). The Company is working towards sending a notice of meeting and explanatory memorandum to shareholders in approximately three weeks.

Enquiries

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