



**RESOURCE** EQUIPMENT LTD

ABN 83 098 812 492

## **REL Directors recommend you ACCEPT Pump Services' cash takeover offer for REL**

The REL Directors unanimously recommend that you ACCEPT the on-market takeover offer by Pump Services, LLC for all REL shares at \$0.26 cash per share, in the absence of a superior proposal. The offer is scheduled to close at 4.00pm (Sydney time) on Tuesday 3 February 2015.

To ACCEPT you simply need to SELL your shares on the ASX at the offer price before the offer closes. This can be done through your usual stockbroking service provider.

**Dear REL Shareholder,**

You should have received the Bidder's and Target's Statements in relation to the on-market takeover offer for REL by Pump Services, LLC for \$0.26 cash per REL share.

REL Directors recommend you ACCEPT the offer in the absence of a superior proposal because, among other things:

- The offer is at a significant premium to the trading price of REL shares over a range of time periods prior to the announcement of the offer, including an 86% premium to REL's pre-announcement closing price of \$0.14.
- The price of REL shares is likely to fall in the absence of the offer.
- The liquidity of REL shares is already low and the offer provides shareholders with an opportunity to sell.
- The offer price of \$0.26 per share provides shareholders with a certain cash value for their REL shares and shareholders will be paid cash quickly (i.e. 3 trading days) after accepting the offer.
- No other offer has been made to purchase REL shares and there is no current indication that there will be.
- Pump Services, LLC has already acquired a relevant interest in more than 50% of REL's issued shares, thereby gaining majority control of REL. There are a number of risks in rejecting the offer and remaining a minority shareholder in REL. These are set out in the Target's Statement.

You can find more information on the offer and on Directors' reasons in REL's Target's Statement.

**How to Accept**

To ACCEPT just SELL your shares on the ASX at the offer price before the offer closes. This can be done through your usual stockbroking service provider. The offer is scheduled to close at 4.00pm (Sydney time) on Tuesday 3 February 2015.

**Additional information**

Please refer to the Bidder's and Target's Statements for further information. You can contact the shareholder information line on **1800 992 793 (within Australia)** if you require further help. Frequently Asked Questions related to the takeover offer can be found on the REL website at <http://www.rel.com.au>.

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