

ASX Announcement

Legal Action against McKnight's Electrical (Wesley McKnight) - Geelong Simonds Stadium Project

15 February 2018, Melbourne Australia: Stokes Limited (ASX: SKS) updated the market on 9 January 2018 in relation to an outstanding debt of \$1,202,735 (exc. GST) owing by Badtvm Nominees Pty Ltd - Trustee of the Luxor Family Trust trading as McKnight Electrical (**McKnight's**) to Stokes Technologies Pty Ltd against a series of invoices rendered for goods and services completed as part of the Stage 4 redevelopment of Geelong Simonds Stadium (the **Debt**).

As the market was previously informed, Stokes had made a written demand under a Guarantee and Indemnity for the "Guaranteed Moneys" (\$800,000) and related security documents. Stokes had subsequently been attempting to work with Wesley McKnight to work through the matter.

Stokes understands that Badtvm Nominees Pty Ltd has appointed Ferrier Hodgson as Liquidator under a Creditor's Voluntary Liquidation. Stokes is obtaining further legal advice about its rights and will look to work with Ferrier Hodgson.

Stokes will now book a debtor impairment provision for the full amount of the Debt (exc. GST) in the half year results for the six-month period to 31 December 2017.

Mr Jinks said "this latest development is extremely disappointing. Stokes will now look to pursue its rights vigorously".

For further information contact:

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About Stokes Limited

Stokes Limited (symbol SKS) is an ASX-listed company that has become a leading provider of innovative technologies, products and solutions in audio visual and lighting distribution to the commercial, education, retail, finance and construction markets.

For more information about Stokes please see www.stokes.com.au.