



Investments

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29 June 2018

ASX: FEI

Deed of Settlement

FE Investments Group Limited (FEIG or the Company) (ASX: FEI) announces that it has as at 28 June 2018, entered into a deed of settlement (**Deed**) with the vendors (**Vendors**) under the sale and purchase agreement dated 29 November 2016 (**SPA**) pursuant to which FEIG acquired from the Vendors, all of the issued shares in FE Investments Limited (**FE**) in consideration of the issue to the Vendors of fully paid ordinary shares in the capital of FEIG. The terms of the settlement were negotiated by the disinterested independent directors led by the Chairman, James Green.

The Deed settles and discharges any and all claims the Vendors and related parties (as to one part), and FEIG and its current and former directors (as to the other part) have or at any time hereafter may have against each other under the SPA.

The complete particulars of the settlement are confidential as they relate to the other parties however the obligations pertaining to FEIG can be summarised as follows.

- (a) FEIG will apply the amount of \$408,191.00 in full repayment of TK Shim's current indebtedness to FEIG's subsidiary FE and in part repayment of Mel Stewart's current indebtedness owing to FE.
- (b) Mr Ian Bailey, has agreed to continue to act as a guarantor and TK Shim and Mel Stewart have agreed to provide a guarantee of the obligations of an FEIG subsidiary, Wolfstrike Rental Services Limited (**WRS**), to Dancingmoonlight Limited in connection with a loan of approximately \$810,000 previously made available by Dancingmoonlight Limited to WRS. In consideration of the guarantees FEIG will indemnify all the guarantors and will also issue to Ian Bailey (subject to obtaining all relevant approvals) 500,000 18-month \$0.20 options with respect to ordinary shares in the capital of FEIG.

For further information please contact:
TK Shim
Chief Executive Officer