



25 July 2018

**ASX Market Announcements
Via e-lodgement**

RDG ACQUIRES 80% EQUITY STAKE IN MINERAL SOLUTIONS AUSTRALIA PTY LTD

The Board of Resource Development Group Limited (RDG or Company) is pleased to announce that it has executed a Share Sale and Purchase Agreement (SSPA) with the Vendors of Mineral Solutions Australia Pty Ltd (MSA or MSA Group) to acquire an 80% equity stake in the company.

MSA is a holding company for three wholly-owned subsidiaries that operate in various forms within the materials handling, screening and ore sorting industries.

The Vendors of MSA are the respective personal entities of Mr. Michael Harrington and Mr. Blake Stanley, who are experienced and reputable operators and will continue to each hold a 10% equity stake in MSA and remain with MSA in executive capacities on long-term contracts of employment, with responsibility for managing the business.

Consideration for the acquisition is to be funded from existing cash balances of RDG and will be paid on a staged basis as follows:

1. \$2,000,000 to be paid on the Completion Date;
2. \$400,000 to be paid on the 6 month anniversary of the Completion Date; and
3. \$400,000 to be paid on the 12 month anniversary of the Completion Date.

There are no performance hurdles or milestones attached to the second and third payments.

The Board of RDG is excited by the opportunity to work with Mr. Harrington and Mr. Stanley and will provide expertise to continue to develop the MSA businesses. The Board will also be seeking to realise synergies and other benefits that have already been identified during the due diligence phase.

There are some conditions precedent that are required to be satisfied prior to Completion, however the Board anticipates these will be completed within the next two weeks.

**Michael Kenyon
Company Secretary**

For further information, please contact Michael Kenyon on (08) 9443 2928 or at michael.kenyon@resdevgroup.com.au