



22 October 2009

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

ETT signs share purchase agreement to acquire FarmWorks

ETT Limited (ASX:ETT) is pleased to announce that it has entered into a Share Purchase Agreement under which it will acquire a 100% interest in FarmWorks Australia and its group of companies (FarmWorks).

FarmWorks is a specialist provider of goods and services to the agricultural industry in Australia with operations across Western Australia, South Australia, Queensland and New South Wales. Established in 2001, FarmWorks has experienced strong growth since inception with revenues of \$91 million generated in the financial year ended 30 June 2009.

The purchase price for the proposed acquisition includes:

- the issue of 25% of the issued capital in ETT at completion to the shareholders of FarmWorks, with the ETT shares to be held in escrow for 12 months;
- the issue of 25% of the total options in ETT at completion to the shareholders of FarmWorks on the same terms and conditions as options already in existence;
- the issue of 2.5% of the issued capital in ETT in options to the shareholders of FarmWorks if FarmWorks EBIT reaches \$5,000,000 in the 12 months after completion; and
- the issue of 2.5% of the issued capital in ETT in options to the shareholders of FarmWorks if FarmWorks EBIT reaches \$10,000,000 in the 24 months after completion.

The acquisition of FarmWorks by ETT is subject to several conditions, including due diligence on FarmWorks and ETT shareholder approval.

Once due diligence investigations on FarmWorks are complete, and assuming ETT is satisfied with the results of such investigations, then ETT shareholders will be provided with details of the proposed acquisition in a Notice of Extraordinary General Meeting, which will include an information memorandum about FarmWorks and an independent expert's report.



Chairman of ETT Glenn Tetley said: "FarmWorks is a well respected brand in its current markets and a very successful business that has rapidly expanded its branch penetration along with it's and product and service offering into Australia's rural communities."

"Recent corporate activity in Australia, not least Sinochem's \$2.8 billion takeover proposal for Nufarm, attests to the growth prospects for the Australian agricultural sector. This is underpinned by the strength of soft commodity prices and global food demand."

"The Directors of ETT look forward to supporting the rollout of FarmWorks business in the eastern states of Australia which represent substantial opportunities."

FarmWorks' long term strategy is to achieve a nationwide footprint covering the majority of broadacre farming areas.

With a direct customer base of over 2500 growers through its branches and indirect access to a further 3000 growers through its agency network, the FarmWorks brand is now well established and acts as the access to market for a portfolio of goods and services which includes:

- FarmWorks Rural Merchandise;
- FarmWorks Livestock;
- FarmWorks Finance; and
- FarmWorks Real Estate

FarmWorks currently employs over 60 staff with approximately 66% of revenues derived from Western Australia, 23% from Queensland and New South Wales and 11% from South Australia.

Further information on FarmWorks can be found at www.fwaus.com.au

Peter Bartels, CEO of Portunas Limited, a boutique corporate advisory and investment firm (www.portunas.com) advised ETT in this transaction.

Yours Sincerely

A handwritten signature in black ink, appearing to read "Glenn Tetley".

Glenn Tetley
Chairman

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