

Passionate about Pets



Greencross Vets

1 February 2012

GREENCROSS LIMITED (ASX: GXL) Announcement Greencross acquires Maitland Veterinary Hospital

Australia's largest veterinary group Greencross Limited ('Greencross' or 'The Company') is pleased to announce that it has entered into agreements to acquire the Maitland Veterinary Hospital and the Rutherford Veterinary Clinic (collectively known as 'Maitland' or the 'acquisition').

Total cash consideration, including deferred payments, to be paid for this acquisition equals \$2,823,069. The acquisition is expected to deliver annualised revenue and EBIT of \$3.312m and \$0.650m respectively. The acquisition is expected to be earnings per share accretive in the 2012 fiscal year.

The transaction is subject to deferred vendor payments with the vendors deferring 20% of the total consideration for 3 years.

The acquisition is effective as of today the 1st of February 2012. Both clinics are situated in Maitland, New South Wales and are well established businesses that have been in operation for over 38 years. Both vending veterinarians have entered into employment agreements with Greencross ranging from 1 to 3 years in duration.

Greencross is pleased to also announce that it has entered into an agreement to purchase a further 16.31% of the shares in the Animal Emergency Centre Pty Ltd ('AEC'). This will take the Company's total ownership in the AEC from 59.00% to 75.31%.

The total consideration for the AEC shares equals \$856,165. The acquisition is expected to be earnings per share accretive in the 2012 fiscal year.

The consideration for the AEC shares is to be settled by the issue of 668,879 Greencross shares to the vendors. The Greencross share issue price, being \$1.28 per share, was calculated by applying a 5% discount to the 5 day volume weight average price of the Company's shares over the 5 business days up to and including 23 December 2011. This transaction is effective as of today the 1st of February 2012. Following is a copy of the Appendix 3B in relation to the issue of the new shares.

All vendors in relation to the AEC share swap are existing employees of the AEC. The share swap has occurred to further align the AEC employees with that of Greencross as a whole. All Greencross shares purchased are subject to a voluntary escrow period of 2 years. The shares are further linked to continuing employment by these employees, with 40% of their Greencross shares to be forfeited and cancelled if the vendors leave the employment of the AEC during the escrow period.

In addition to the above acquisitions, Greencross is pleased to announce that it incorporated the Animal Emergency Centre Central Coast Pty Ltd on the 6th of October 2011. This new company started trading as an animal emergency centre on the central coast of New South Wales on the 23rd of December 2011.

Greencross contributed \$229,100 to the new entity and subsequently owns 65.25% of the issued capital. The remaining 34.75% is owned by other referring veterinarians in the local area. The new entity is expected to deliver additional annualised revenue and EBIT of \$0.700m and \$0.112m respectively to the group is expected to be earnings per share accretive in the 2012 fiscal year.

-END-

ABOUT GREENCROSS

Greencross was established in 2003 and has grown to become Australia's leading veterinary services company through the acquisition and integration of 73 practices around Australia.

Greencross's strategy is to continue to consolidate the fragmented veterinary services industry in Australia and is focused on delivering exceptional veterinary medicine and levels of care to its patients. The company's vision is to be the practice of choice for employees, clients, patients and shareholders.

For further information please contact:

Glen Richards

Managing Director, Greencross Limited Phone: (07) 3435 3535

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

GREENCROSS LIMITED

ABN

58 119 778 862

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | FULLY PAID ORDINARY SHARES |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 668,879 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. As per other fully paid ordinary shares already quoted |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1. YES				
5 Issue price or consideration	1. \$1.28				
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1. Issue of shares in relation to the acquisition of shares in Animal Emergency Centre Pty Ltd				
7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates	1. 1st of February 2012 but held under voluntary escrow for 24 months				
8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)	<table> <tr> <th data-bbox="686 1444 989 1478">Number</th><th data-bbox="989 1444 1283 1478">⁺Class</th></tr> <tr> <td data-bbox="686 1478 989 1697">31,203,622</td><td data-bbox="989 1478 1283 1697">ORDINARY Fully paid shares</td></tr> </table>	Number	⁺ Class	31,203,622	ORDINARY Fully paid shares
Number	⁺ Class				
31,203,622	ORDINARY Fully paid shares				

⁺ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	295,000
		OPTIONS exercisable at \$1.40 no later than 8 July 2013
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	1. Shares will rank pari passu with all existing fully paid ordinary shares.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- | | | |
|----|---|--|
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | |

⁺ See chapter 19 for defined terms.

33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"><thead><tr><th style="padding: 5px;">Number</th><th style="padding: 5px;">+Class</th></tr></thead><tbody><tr><td style="height: 80px;"></td><td style="height: 80px;"></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 1 February 2012

(Company Secretary)

Print name: Wesley Coote

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+ See chapter 19 for defined terms.