



14 October 2013

GREENCROSS LIMITED (ASX: GXL) Announcement Greencross in Preliminary Merger Discussions with Petbarn

Greencross has become aware of speculation concerning a possible transaction between it and the owners of the Petbarn business.

Greencross confirms that it is engaged in preliminary discussions with Petbarn concerning an indicative, confidential, non-binding possible merger of Greencross and Petbarn. If a transaction proceeds, it is likely that the consideration payable by Greencross would involve Greencross issuing new shares to the owners of Petbarn.

Petbarn is a leading specialty retailer of pet products and services in Australia and New Zealand. Greencross believes that a merger with Petbarn is a unique opportunity to create a leading consumer facing pet company in Australia and New Zealand. A combination of Petbarn's pet product retailing and Greencross' pet services businesses will increase the opportunity for interacting with pet owners and is consistent with actions undertaken by leading comparable pet businesses in the UK and USA markets.

No agreement has been reached about such a merger transaction, nor is such agreement imminent or inevitable. In particular, there is no guarantee that these discussions will result in Greencross and Petbarn agreeing to enter into a merger transaction.

In order to facilitate those discussions, the parties have agreed that until 14 November 2013 they will deal exclusively with each other and will not participate with any other party in discussions relating to a competing transaction.

A further announcement will be made in due course if the current discussions result in Greencross and Petbarn reaching agreement to enter into a merger transaction or it is concluded that no such agreement will be reached.

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ABOUT GREENCROSS

Greencross was established in 1994 and has grown to become Australia's leading veterinary services company through the acquisition and integration of 100 practices, laboratories and crematoria 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