



**Lanka Graphite Limited**

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### **ASX Announcement Update on Agreement to Acquire Retail E-Commerce Growth Story**

The Board of Lanka Graphite Ltd (ASX:LGR) (“Company”) refers to its ASX announcement dated 3 August 2018 regarding execution of a binding conditional term sheet to acquire 100% of the MSY group of companies (collectively referred to as “MSY”), which retail consumer electronics throughout Australia. MSY sells computers, computer parts and software online and across 28 retail sites nationally, and generates revenues of over \$100 million per year.

The Board is pleased to announce that due diligence has been satisfactorily completed by both parties. The Company and MSY are now working to finalise and execute binding Share Purchase Agreements.

The proposed acquisition remains subject to a number of conditions precedents, including:

1. Drafting and execution of Share Purchase Agreements;
2. The Company obtaining all necessary shareholder approvals that are required to give effect to the Transaction in accordance with the Corporations Act and the ASX Listing Rules;
3. Any applicable required regulatory approvals; and
4. Re-compliance with Chapters 1 and 2 of the ASX Listing Rules;

An indicative timetable for the transaction and relisting process will be announced in due course.

ENDS