



ASX and Media Announcement

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Strategic acquisition of Giacci to drive continued growth

Qube announces today that the group has reached a binding agreement to acquire Giacci Holdings Pty Limited ("Giacci").

The Giacci group of companies is a well run, high quality business that operates nationally, with significant operations in Western Australia. Giacci has built its core business in the mining industry, specifically in mineral haulage and handling, providing mine to port solutions for the majority of its customers and in most instances, assuming full responsibility for the supply chain.

The company employs over 350 people, operating a fleet of bulk handling equipment, with key strategic partnerships and joint ventures incorporating shipping and rail. Giacci is responsible for managing in excess of 17 million tonnes of bulk products per year.

The purchase price is approximately \$119 million of which around \$18 million is deferred for two years and subject to adjustments based on the earnings of the business in the future. Additionally, Qube will assume net debt of approximately \$26.6 million.

Qube will fund the acquisition through the issue of \$20 million of new Qube shares to the vendor at an issue price of \$1.4749 per share with the balance of the purchase price funded from Qube's available cash and debt facilities. It is currently anticipated that the acquisition will be completed during March 2012. The acquisition is expected to be earnings per share accretive in the first full year of operations.

The current Managing Director and co-owner of Giacci, Peter Giacci has agreed to remain as Managing Director of the business for at least the next two years.

Maurice James, Managing Director of Qube said "The acquisition will enable Qube to provide a complete mine to port logistics solution covering transport, stockpile management and stevedoring. This enhanced logistics capability should provide significant opportunities to expand the range of services offered by the Qube group".

"We are delighted that Peter Giacci has committed to continue with the business", Mr James said.

Peter Giacci, Managing Director of Giacci said "I look forward to working with the Qube management team to continue to offer an enhanced range of high quality, efficient and competitive services to our existing and potential customer base".

Subject to the satisfaction of a small number of conditions, it is expected that the transaction will be completed prior to 31 March 2012.

The business will form part of Qube's Ports & Bulk division.

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