

# GROWTH PLATFORM LIMITED

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3 October 2005

## GROWTH PLATFORM LIMITED SIGNS HEADS OF AGREEMENT TO ACQUIRE STATEWIDE WASTE GROUP

Growth Platform Limited ("**GPL**") is pleased to announce that it has signed a Heads of Agreement to acquire the business of Statewide Waste.

Statewide Waste is a business based in Warrnambool, Victoria and has 3 divisions:

1. a **transfer station** located at Koroit Street, Warrnambool. The property is being acquired by GPL and is fully permitted to operate as a transfer station. Facilities have recently been upgraded and the site receives and sorts waste. Customers include the local Council, local businesses and individuals. Sources of income include fees to receive the waste, and payments for the sale of recyclable products. There is also a bin hire and "garden supplies" business. The transfer station is centrally located in the city of Warrnambool, and its location is one of its major selling points;
2. a **composting business** located in Panmure, near Warrnambool, Victoria. The site is fully licensed by the EPA to receive waste soils/sludge. The waste is processed and mixed with green waste received at the transfer station and the resulting product is sold as soil to the public. Sources of income include fees to receive the waste and payments for the sale of soil. It is considered that the EPA licence attached to this site has considerable value;
3. a **bio solids** business which provides services to municipalities including South West Water, and also receives and recycles waste confectionery from industry.

Each division of the business is currently profitable with strong growth profit margins. The Board of GPL believes that there is the potential for significant growth in each division of the business in the coming years.

The purchase price is \$4.5 million. Subject to formal valuations, it is estimated that the purchase price is made up of the following:

- land and buildings - \$1.8 million;
- plant and equipment and stock - \$1.7 million; and
- goodwill - \$1 million.

A refundable deposit of \$100,000 will shortly be paid by GPL and the acquisition is conditional on legal and financial due diligence (to be conducted by GPL's auditors, PKF).

The purchase will be funded partly from GPL's current cash resources, with the balance funded via debt finance and potentially a capital raising in the near future. Further details will be provided to the NSX by way of a company announcement as the capital raising plans become more definite.

If you require any further information, please contact Nick Kephala (Chairman of GPL) on 0419 309 737

### **About Growth Platform Limited:**

*Growth Platform Limited is a public company that listed on the Newcastle Stock Exchange on 26 April 2005 (NSX code: GPD). The company is an integrated waste management business, currently with operations in Western Australia, focused on resource recovery. The company has plans to expand its operations throughout Australia in all areas of the waste industry, with a particular focus on recycling. On 5 September 2005 it announced to the NSX that it had signed a conditional contract to acquire a parcel of land in suburban Melbourne with a view to applying for a permit to operate a transfer station.*