

16 June 2014

Listed Company Relations  
New Zealand Exchange Limited  
PO Box 2959  
Wellington

Dear Sir/Madam

### ACQUISITION OF APPLIED SORTING TECHNOLOGIES PTY LTD

The Board of Directors of Scott Technology Limited ("Scott") is pleased to announce that the Company has entered into an agreement to purchase 100% of Applied Sorting Technologies Pty Ltd. ('AST'). Scott expects the transaction to be settled by the end of June.

AST is based in Melbourne Australia and has skills and expertise in advanced sensing and imaging technologies including X-ray, DEXA and CT scanning. These technologies are included in a range of x-ray inspection products and applications for the mining and meat processing sectors which complement and add to Scott's portfolio of skills and capabilities.

The total purchase price of around NZ\$1.3 million consists of an amount for the net tangible assets and an amount for the transfer of intangible assets subject to earn-out over the next 18 months. It is expected that AST will be earnings positive from acquisition.

AST has contracts that will provide a base workload for the next two years and Scott will add resource to expand the reach into the mining and meat processing sectors.

The Scott Board is excited about the opportunities that the acquisition of Applied Sorting will provide to the Scott Group and will continue to look for further opportunities to enhance shareholder value.

Yours faithfully



S J McLauchlan  
Chairman  
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Chief Executive  
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