GROUP LIMITED

ASX ANNOUNCEMENT

FOR IMMEDIATE RELEASE TO THE MARKET

[30] June 2014

PPK Group Limited – ASX Code: PPK

Acquisition of MONEx Electronic Engine Management System

PPK Group Limited (**PPK**) is pleased to announce it has entered into Binding Heads of Agreement to acquire full ownership of the MONEx Electronic Engine Management System (**EMS**) technology, associated intellectual property, manufacturing line and existing inventory for $2.8 million.

The MONEx EMS is an integral part of the PPK Coaltram flameproof and explosion proof Load-Haul-Dump (**LHD**) multi-purpose vehicle manufactured by PPK Mining Equipment at its Tomago production facility.

This technology was developed specifically for the PPK Coaltram and PPK had some shared ownership in parts of the technology and intellectual property in the MONEx EMS.

The acquisition of full ownership of the MONEx EMS will allow PPK to act as the sole Original Equipment Manufacturer (**OEM**) for all Coaltram products and remove some confusion from the market place.

PPK Executive Chairman Robin Levison stated:

> "PPK believes the acquisition of full ownership of the MONEx EMS will create a superior customer service and support experience for existing and future Coaltram users. It will also give PPK the opportunity to both potentially re-power other underground flameproof and explosion proof vehicles with the MONEx EMS technology and to export to both the Chinese and South African markets initially".

The transaction is subject to satisfactory due diligence and certain conditions precedent. Settlement terms provide for initial payment of $1.4 million with the balance of $1.4 million payable by 12 equal monthly instalments following close of the transaction.

The acquisition of the MONEx EMS continues the strategy outlined by PPK at the November 2013 AGM to rotate away from its portfolio of industrial and development properties, loan book and share investments to investing in the mining services sector which PPK believes to be at the low quartile of valuations. This strategy was further embedded with the recent sale of the company's Arndell park property for $12.24 million announced last week.

Other recent positive developments include receipt of an order from BHP Illawarra Coal for two new Coaltrams and opening of the new PPK Mining Equipment Port Kembla service and support facility with the first customer vehicles arriving for servicing last week.

PPK Executive Chairman Robin Levison commented:

> "PPK has taken positive steps in the short period since its acquisition of the Coaltram business to consolidate its leading position in the supply and servicing of LHD and other underground flameproof vehicles. PPK will continue to pursue further growth and expansion for its leading edge LHD Coaltram equipment business in both Australia and overseas markets, as well as continuing to review further earnings per share accretive acquisition opportunities."

For further information contact:

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