



## AVFM Limited

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Company Announcements Office  
Australian Stock Exchange Limited

Via: Electronic Lodgement

### **AVFM to acquire interest in boutique Fund Manager, Armytage private Limited**

AVFM has reached an in principle agreement to acquire 50.01% of boutique funds manager, Armytage private Limited (Armytage) from Treasury Group Limited, effective 3 July, 2006. The consideration is \$3 million, payable in three equal installments, which will be funded from existing cash reserves.

The Armytage acquisition represents a major strategic development for AVFM, in terms of furthering the company as a diversified financial services holding company.

As part of the realignment of the ownership, it is intended that Armytage will issue new shares, representing 10% of its expanded capital, to Mr Campbell McComb, Armytage's principal investment director. In consequence, AVFM will retain a 45% interest in Armytage.

Since its establishment in 1999, Armytage has developed a strong market profile for its successful deep value and strategic based investment

methodology. Armytage currently has over \$180 million funds under management. Its discretionary mandates encompass a range of institutional investors, high net worth professional investors, and charitable trusts.

Armytage has recently established a strategic opportunities fund, which can be directly accessed by retail investors, via a range of master fund platforms. The Armytage Strategic Opportunities Fund is expected to be a major growth avenue for the Armytage business over the next one to two years.

The Directors of AVFM believe that the move into funds management considerably enhances its business model and provides scope to capitalize upon the group's distribution and corporate advisory capacity.

The Armytage business is highly compatible with existing AVFM investee companies, which all provide strategic financial management and services for the "high end" market. Armytage will further expand and enhance the ranges of services that AVFM and its investee companies are collectively able to offer to clients.

AVFM Director and co-founder, Lee Iafrate, who is also the executive chairman and founding shareholder of Armytage, welcomed the prospective new shareholding partnership.

The Directors of AVFM also confirm that the acquisition will be earnings accretive and will positively contribute to the Company's earnings growth in the 2007 financial year.