



Companies Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

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Via e-lodgement

RDG EXERCISES ITS OPTION TO ACQUIRE INTELLECT SYSTEMS PTY LTD

Diversified mining services group, Resource Development Group Limited (ASX: RDG) ("Resource Development Group" or the "Company"), is pleased to announce that the Company has exercised its option to acquire Intellect Systems Pty Ltd ("Intellect Systems") as announced on 8 September 2011.

The acquisition is seen as complimentary to the services currently offered by the Company through its subsidiary, Engenium Pty Ltd, and continues to build on the Board's vision of developing a vertically integrated mining services group.

Intellect Systems provides electrical engineering, control systems engineering and industrial information technology services to predominantly the mining and resources sector, ranging from feasibility studies through to design, construction, commissioning and operational support.

"The acquisition of Intellect Systems provides the Company with additional specialist engineering skills with a focus on commissioning."

"After extensive due diligence, Intellect Systems met the requirements to achieve the Boards vision of expanding the services that the Company currently offers including ability to cross sell services with Engenium. The acquisition will be immediately earnings per share accretive and will allow the Company to offer additional specialist services to large and small mining companies" said Managing Director, Mr Jeff Brill.

The acquisition is expected to contribute approximately \$3.5 - \$4.0 million in revenue and \$0.7 - \$1.0 million in EBIT in FY12. The Company will pay between \$4.0 and \$4.5 million consisting of approximately 11.8m shares and \$1.25m cash.

The cash component of the acquisition will be funded from available cash reserves, and the shares will be held in voluntary escrow for a period of 24 months from the date of issue.

Yours faithfully

Jeff Brill
Managing Director