



media release

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Campbell Brothers to sell stake in CCI Holdings

Brisbane-based diversified industrial company Campbell Brothers Limited (CBL) (ASX: CPB) advises that it has entered into a call option agreement with Bureau Veritas SA, over 27 million shares that CBL holds in CCI Holdings Limited (CCI) via its wholly owned subsidiary, Australian Laboratory Services Pty Ltd.

The call option is exercisable at 58 cents per share less the amount of any dividend declared by CCI. CBL has further agreed to support Bureau Veritas' Scheme of Arrangement for the full acquisition of CCI by committing the remainder of its CCI shares into the scheme.

CBL acquired 29.2 million shares in CCI in 2006 at a weighted average cost of 33 cents per share. The sale of its shares in CCI will realise CBL \$16.9 million; a \$6.8 million pre-tax gain.

The Managing Director of Campbell Brothers, Greg Kilmister said CBL acquired shares in CCI as part of its laboratory diversification strategy into coal analytical services.

"Since acquiring the CCI shares, CBL has progressed the development of its coal service business by alternate means."

"Currently we have two new coal laboratories under construction in Australia; one in Newcastle and one in Gladstone. Both laboratories will be fully operational in the current calendar year and we are confident of receiving strong industry support for the innovative services the company will be providing."

"We have also recently opened an office in Moscow as part of a push to provide a broad range of mineral laboratory services to Russia; including coal analyses. We are on track to have three full service laboratories operational in Russia within the next twelve months."

Mr Kilmister went on to say, "Because CBL had decided to develop its coal laboratories as greenfield start-ups, the value CBL saw in any future full acquisition and integration of CCI would keep diminishing over time. We see the Bureau Veritas offer as being fully priced and an excellent opportunity for us to free up capital to further invest in the development of the company."

ENDS:

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