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## ANNOUNCEMENT TO THE ASX

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### Damba Acquisition ~ Final Settlement

**Sydney, 27 May 2008 ~ Inventis Limited (ASX: IVT)**, through its wholly owned subsidiary Gregory Commercial Furniture Pty Limited (GCF), Inventis acquired the business and assets of Damba Furniture Limited in New Zealand and all the shares on issue in Damba Furniture Pty Limited in Australia on 16 May 2007.

The acquisition of Damba has substantially increased the revenue of the Inventis commercial furniture division and it is forecast that the combined turnover for the FY2008 will be in the vicinity of AU\$26 million.

The total consideration for the acquisition of Damba was:

- The issue of 3,300,000 fully paid Inventis shares at an issue price of AU\$0.55 per share. These shares were held in escrow for 12 months; plus
- The assumption of certain liabilities of Damba and the retirement of a debt facility to Westpac Banking Corporation which amounted to AU\$1,424,951.

In accordance with the contract entered into for the purchase of Damba Furniture, we are pleased to announce that,

- agreement has been reached to settle a warranty claim made against the vendors. This has resulted in the cancellation 872,606 shares and a consequent reduction in the purchase price in the accounts of the company in the sum of \$479,934. This is comprised of,
  - A reversal of \$124,866 which was previously accounted for in the profit and loss accounts of the company; and
  - The reduction of \$355,068 in the valuation of the assets acquired from Damaba, on the balance sheet of the Company.
- The balance of 2,427,394 shares presently held in escrow are to be released today.

This is an excellent outcome for the Company and we acknowledge the vendors' cooperation in reaching this amicable resolution.



Tony Noun  
**Group Managing Director**

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