

Business Spectator

NEWS

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Mercury Mobility to merge with m.Net

Source: News Bites

Mercury Mobility will merge with m.Net Corporation Ltd, with the combined group positioned to be Australia's leading mobile marketing and content company.

The merger will see Horden Wiltshire, currently CE of m.Net Corporation become the CEO of the combined company and Mercury Mobility's founder and managing director Ben Grootemaat become an executive director, working closely with Mr Wiltshire.

Mr Grootemaat said the combination of Mercury's existing business in Canada combined with m.Net's work with Yahoo! in North America will provide a strong foothold to further expand in the North American marketplace. Yahoo!7 and Alcatel-Lucent Australia have been long term supporters of m.Net and will remain significant shareholders.

The agreement was signed by the three major shareholders of m.Net (Yahoo!7, m Alcatel-Lucent and Telstra) and is conditional on m.Net's minority shareholders also agreeing to sell their m.Net shares to Mercury at completion. Mercury expects to issue the m.Net shareholders with a total of 105 million fully paid shares.

At completion m.Net is expected to have net current assets of at least \$700,000 and no financial debt. Mercury will also seek shareholder approval at a meeting to be held in October. Following completion of the acquisition, Mercury's current shareholders and m.Net's current shareholders are expected to hold 50% each of Mercury's issued capital.

STOCK DASHBOARD: September 07, 2009

Mercury Mobility

Closing Price: 5.90c

Price change from previous trading day: 7.3%

Relative Strength (6 months percentile rank): 4.3

Market capitalisation: \$6.2 million

Turnover volume: 30,350.0

Volume Index (1 is average): 3.4

Turnover value: \$1,791

Turnover period: 46 years 9 months

Value of \$1,000 invested 1 year ago: \$472

Source: www.BuySellTips.com