Rocky Mountain Dealerships Inc. announces intention to enhance its offer to acquire all of its outstanding 7.00% convertible unsecured subordinated debentures

Release Date:
Thursday, March 22, 2012 4:00 pm MDT

Terms:
Financing [1]

Dateline City:
CALGARY, Alberta

Rocky Mountain Dealerships Inc. ("Rocky") (TSX: RME) (TSX: RME.DB) announced today that it intends to increase the purchase price under its offer (the "Offer") to purchase all of its 7.00% convertible unsecured subordinated debentures (the "Debentures") from $1,125 to $1,200 for each $1,000 principal amount of Debentures (the "Offer Price"), representing a premium of $200 or 20% to the face value of the Debentures per $1,000 principal amount. Rocky also intends to extend the date by which holders of Debentures ("Debentureholders") must tender their Debentures to the Offer.

In connection with the increase in Offer Price, Rocky will seek to adjourn the meeting (the "Meeting") of Debentureholders to be held on March 23, 2012, to consider and approve amendments to the trust indenture governing the Debentures that will permit Rocky to redeem any Debentures not tendered to the Offer at a redemption price equal to the Offer Price (the "Redemption"), so as to give Debentureholders sufficient time to consider the increase in the Offer Price.

Full details of the enhanced Offer and Redemption, including the new expiry date of the Offer and the date and time of the adjourned Meeting, will be included in a supplemental management information circular and notice of variation and extension (the "Supplemental Circular") that will be prepared by Rocky and made available on SEDAR at www.sedar.com [2]. The Supplemental Circular will supplement Rocky's combined notice of meeting, management information circular, offer to purchase and issuer bid circular (the "Original Circular") in respect of the Offer and Redemption that is currently available on SEDAR.

The Board of Directors of Rocky (the "Board") has determined that the enhanced Offer and the Redemption are in the best interest of Rocky and has authorized the making of the enhanced Offer and the submission of the Redemption to Debentureholders for their consideration. Neither Rocky nor its Board makes any recommendation to Debentureholders as to whether to tender or refrain from tendering their Debentures to the Offer or as to how to vote with respect to the Redemption. Debentureholders are urged to consult their own financial, tax and legal advisors and to make their own decisions whether to tender or to refrain from tendering their Debentures to the Offer.

RBC Capital Markets is acting as financial advisor to Rocky and as dealer manager in connection with the Offer and Redemption, with the law firm of Burnet, Duckworth & Palmer LLP acting as Rocky's legal advisor. Rocky has appointed Kingsdale Shareholder Services Inc. to act as the Solicitation and Information Agent with respect to the Offer and the Meeting. If you have any questions or require any assistance with respect to the Offer or the Meeting, you may contact the Solicitation and Information Agent by toll-free telephone in North America at 1-866-581-1489, collect call outside North America at 1-416-867-2272 or by email at contactus@kingsdaleshareholder.com [3].

About Rocky Mountain Dealerships Inc.

Rocky is one of Canada's largest agriculture and construction equipment dealerships with 36 branches throughout Alberta, Saskatchewan and Manitoba. Rocky sells, rents, and leases new and used construction and agriculture equipment and offers product support and finance to its customers.

Additional information on Rocky is available at www.rockymtn.com [4] and on SEDAR at www.sedar.com [5].

Forward-looking statements

This press release contains forward-looking statements. All statements other than statements of historical fact contained in this press release are forward-looking statements. You can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. These forward-looking statements include statements with respect to the intention to increase the Offer Price, to extend the expiry date of the Offer and to adjourn the Meeting. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur. Forward-looking statements are subject to risks, uncertainties and assumptions, including, but not limited to, those discussed elsewhere in this press release. There can be no assurance that such expectations will prove to be correct. Some of the factors that could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include, but are not limited to, failure or delay in obtaining Debentureholder approval to the adjournment of the Meeting and failure or delay in obtaining any requisite third party approvals or consents related to the enhanced Offer. The forward-looking statements contained herein are expressed qualitatively in their entirety by this cautionary statement. The forward-looking statements included in this press release are made as of the date of this press release and Rocky assumes no obligation to update or
revise them to reflect new events or circumstances except as expressly required by applicable securities law.

The Original Circular contains, and the Supplemental Circular will contain, important information about the Offer and the Redemption and should be read by Debentureholders. The Original Circular, the Supplemental Circular and related documents may be obtained at no charge as they become available on the system for electronic document analysis and retrieval (SEDAR) at www.sedar.com.[6]. This announcement does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, or otherwise dispose of, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security. The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

Language:
English

Contact:
For further information:
Rocky Mountain Dealerships Inc.
Matt Campbell,
Chief Executive Officer;
or,
Garrett Ganden,
Chief Operating Officer
#301, 3345 - 8th Street S.E.
Calgary, Alberta T2G 3A4
Telephone: (403) 265-7364,
Fax (403) 214-5644

Ticker Slug:


Links:
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