

## CERVUS EQUIPMENT CORPORATION

**PRESS RELEASE  
FOR IMMEDIATE DISTRIBUTION**

**Symbol: CVL (TSX-V)**  
**January 4, 2010**

### **CERVUS EQUIPMENT CORPORATION COMPLETES ACQUISITION OF A.R. WILLIAMS MATERIALS HANDLING LTD.**

**Cervus Equipment Corporation ("Cervus") (TSX-V: CVL)** is pleased to announce that it has completed the previously announced acquisition of A.R. Williams Materials Handling Ltd., which sells, rents and services industrial products and equipment from 10 different locations in Alberta, Saskatchewan and Manitoba.

Cervus acquired A.R. Williams Materials Handling Ltd. for an aggregate base purchase price of \$22,700,000, plus an additional amount to be equal to 70% of the pre-tax earnings of A.R. Williams Materials Handling Ltd. for the period beginning September 1, 2009 and ending December 31, 2009, which is estimated as at today's date to be approximately \$500,000.

Of the base purchase price:

- (i) 50% (\$11,350,000) was paid in the form of an interest free promissory note with a maturity date of January 1, 2014 that is repayable in four equal installments over four years;
- (ii) 30% (\$6,810,000) was paid in the form of cash; and
- (iii) 20% (\$4,540,000) was paid via the issuance of 425,492 non-voting convertible redeemable series 1 preferred shares of Cervus with a stated amount of \$10.67 per share. The series 1 preferred shares shall be entitled to a preference over the common shares of Cervus with respect to priority in the payment of dividends. Each series 1 preferred share shall be entitled to a cumulative dividend at the rate of 7% per annum on the stated amount. It is anticipated that the dividends on the series 1 preferred shares will be paid in cash quarterly concurrently with the payment of cash dividends on the common shares of Cervus. If the 30 day volume weighted average trading price of the common shares of Cervus on any stock exchange recognized for the purposes of the *Income Tax Act* (Canada) upon which the common shares of Cervus are listed and posted for trading is equal to or greater than \$16.00 per common share, Cervus shall have the right to redeem the series 1 preferred shares, in whole or in part. Each series 1 preferred share so redeemed by Cervus shall be redeemed or purchased by Cervus by delivering one common share of Cervus for each series 1 preferred share so redeemed, together with the payment of any declared but unpaid dividends on such series 1 preferred share. If Cervus redeems any series 1 preferred share prior to the cash payment of all declared but unpaid dividends, all declared but unpaid dividends payable on that series 1 preferred share shall be paid in common shares, such common shares being issued at a deemed price per share equal to \$10.67 per share. The holders of series 1 preferred shares shall be entitled to exchange those shares at any time for common shares of Cervus on the basis of one common share for each series 1 preferred share exchanged. If the holder exchanges any series 1 preferred share prior to the payment of all declared but unpaid dividends, all declared but unpaid dividends payable on that series 1 preferred share shall be paid in common shares, such common shares being issued at a deemed price per share equal to \$10.67 per share.

The remaining additional amount owing will be paid in cash once the pre-tax earnings of A.R. Williams Materials Handling Ltd. for the period beginning September 1, 2009 and ending December 31, 2009 are conclusively determined which is estimated to be within the next 60 days.

#### **About Cervus**

Cervus acquires and manages authorized equipment dealerships in Western Canada. Cervus now (i) operates 15 John Deere dealerships in Alberta, Saskatchewan and Manitoba, (ii) operates 5 construction equipment dealerships in Alberta that sell Bobcat and JCB equipment and (iii) sells, rents and services industrial products and equipment

from 10 different locations in Alberta, Saskatchewan and Manitoba. The common shares of Cervus are listed on the TSX Venture Exchange and trade under the symbol "CVL".

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**Forward Looking Information**

This press release contains certain forward-looking information ("forward-looking information") within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. In particular, this press release includes forward-looking information relating to the pre-tax earnings of A.R. Williams Material Handling Ltd. for the period beginning September 1, 2009, and ending December 31, 2009, and the anticipated payment of cash dividends on the series 1 preferred shares and the common shares of Cervus. Cervus believes the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Forward-looking information is based on various assumptions. Those assumptions are based on information currently available to Cervus and A.R. Williams Material Handling Ltd., including the historic performance of their businesses and current business and economic trends. You are cautioned that the preceding list of assumptions is not exhaustive.

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties some of which are described herein. Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause Cervus' and A.R. Williams Material Handling Ltd. actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking information. These risks and uncertainties may include but are not limited to the risks identified in the 2008 Annual Information Form of Cervus LP, Cervus Equipment Corporation's predecessor, under the heading "Risk Factors". Any forward-looking information is made as of the date hereof and, except as required by law, Cervus assumes no obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*