

7 July 2006

The Manager
Company Announcements
The Stock Exchange of Newcastle Limited
384 Hunter Street,
Newcastle Australia

Dear Sir


Re: 1. Offer Information Statement
2. Ovation Software Agreement

The Company's offer under its Offer Information Statement dated 15 May 2006 ("OIS") closed today. The minimum subscription of \$300,000 under the OIS was not reached, and therefore the Company will refund all application money received as soon as practicable.

The Company previously announced that it had entered into a conditional agreement to acquire up to 100% of the issued capital of Ovation Software Limited ("the Agreement"). As all the Agreement preconditions have not been satisfied the Company will not be proceeding with the acquisition.

The Company's directors will consider the Company's options and provide their recommendation to shareholders in due course.

Yours sincerely,
JAB TECHNOLOGIES LIMITED



Stephen Ioannides
Managing Director

