

7 December 2006

NSX Code: JAB
Listing Date: 6th Sept 2005

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

Dear Sir

RE: JAB TECHNOLOGIES LIMITED UPDATE

JAB RESOURCES PTY LTD ALBANIA EXPLORATION LICENCE APPLICATIONS

As previously advised, at the Company's annual general meeting held on 30 November 2006 shareholders gave approval to the carrying on of mining exploration and development activities by the Company in addition to its current activities.

To this end the Company has formed a wholly owned subsidiary company, JAB Resources Pty Ltd ("Jab Resources") to obtain interests in mineral resources projects.

JAB Resources has lodged applications for three exploration licenses in the Republic of Albania (Albania). The applications are over the approximate areas indicated in pink in Figure 1.



FIG 1: MAP OF ALBANIA WITH JAB RESOURCES APPLICATION AREAS SHOWN



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The three areas are:

AREA 1: Palaj Rubik Project

The central area of 273 km², which is considered prospective for copper, gold and titanium mineralization within Triassic sedimentary rocks.

AREA 2: Librazhd Project

The southern area of 223.9 km², where occurrences of nickel laterites are located in the contact of ultra basic and upper Cretaceous carbonates formation. Ore body thickness has a range 0.5-40 m and dip 10-45 degrees.

AREA 3: Tropoje Project

The northern area of around 400 Km², where known chromium mineralization occurs, and secondary platinum group metals are expected.

Albania has only in recent years opened up its door for exploration and represents a relative new frontier for mineral exploration.

The Company has engaged Mr Resmi Kamberaj, a former head geologist and project manager of a major base metal project in Albania, as its Exploration Manager in Albania. JAB will provide more information on these applications on the return of Mr Kamberaj to Brisbane.

RETURN OF CAPITAL

The Company will seek shareholder approval to undertake a share capital reduction by returning all shares in Jab Resources to the Company's eligible shareholders on a 1:1 basis. The effect of this would be to separate out JAB Resources and its exploration assets from JAB Technologies Limited, which will continue to focus on technology – based business activities.

Further details of the proposed capital reduction will be provided in a meeting notice to be prepared and forwarded to all shareholders.

VENTURE AXESS CAPITAL LIMITED'S BIDDER'S STATEMENT:

With respect to the VentureAxess Capital (VAC)'s Bidder Statement, which some shareholders have received, VAC is required to advise the Company when it has sent the Bidder's Statement to all of the Company's security holders. Once it receives the notification from VAC the Company will prepare a "Target's Statement" containing the Company's Directors recommendations and other information. The Target's Statement will be sent to the Company's shareholders within 15 days of receipt of the notification from VAC.

Yours faithfully

JAB TECHNOLOGIES LIMITED



Rob Murdoch
Executive Chairman



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