



24 January 2007

Attention : Anthea
Newcastle Stock Exchange
BY FAX: 02 4929 1556

Dear Anthea

RE: JAB TECHNOLOGIES LIMITED

We **enclose** a Further Supplementary Target Statement lodged by Jab Technologies Limited today with ASIC.

Yours faithfully

Enc

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FURTHER SUPPLEMENTARY TARGET'S STATEMENT BY

JAB TECHNOLOGIES LTD ABN 42 087 426 953 ("JAB") IN RESPECT OF THE OFFER BY VENTUREAXESS CAPITAL LTD ABN 30 085 039 818 (VAC) FOR ALL ORDINARY SHARES AND OPTIONS IN JAB

This statement ("**Further Supplementary Target's Statement**") supplements, and must be read together with, the Target's Statement of JAB dated 17 December 2006 and lodged with the Australian Securities and Investments Commission ("**ASIC**") on 20 December 2006 in connection with VAC's takeover bid for all the ordinary shares and options in JAB ("**Bidder's Statement**") and the Supplementary Target's Statement dated 28 December 2006 and lodged with ASIC on 28 December 2006

The definitions and interpretation provisions of the Target's Statement apply to this Further Supplementary Target's Statement.

ASIC takes no responsibility for the content of this Further Supplementary Target's Statement.

SUPPLEMENTARY MATERIAL IN RELATION TO RECOMMENDATIONS OF THE DIRECTORS OF JAB.

JAB provides the following supplementary material in relation to the recommendations made by the Directors of JAB in the Target's Statement:

Assessment of Comparative Value

Because of insufficient funds being available to JAB, in assessing the Offer by VAC, the Directors have been unable to commission an expert's report to provide further guidance on the Offer and the comparative value of JAB and VAC.

In formulating their recommendations the Directors of JAB have had regard to the comparative net asset values of both JAB and VAC and believe that this alone provides a reasonable and reliable basis for reaching their conclusions.

In the 2006 JAB Financial Report, JAB had a net tangible asset value per share of \$0.0071. The Bidder's Statement discloses VAC has net asset value per share of \$0.201 per share. The Offer is 3 VentureAcess Capital Shares for every 5 JAB Shares and 3 VentureAcess Options for every 5 JAB Options.

The JAB Options are exercisable at \$0.20 per JAB Share on or before 31 December 2009. The last recorded trade for JAB Shares on NSX was on 2 June 2006 at \$0.15. The Directors of JAB have formed the view that trading in JAB Shares is illiquid and it may be considered that the JAB Options being exercisable at 20c per JAB Share are of little or no current value as they are well out of the money.

On that basis, if only comparative net asset values are used to make an assessment of comparative value, JAB Shareholders are being offered 3 VentureAcess Capital Shares representing a net asset value of \$0.603 for every 5 JAB Shares representing a net asset value of \$0.0355.

Whilst the Offer is not expressed on its face to be conditional upon VAC or the securities offered as consideration under the Offer being granted quotation on ASX, ASIC have advised JAB that by virtue of s 625(3) of the Corporations Act this is the case. Accordingly, the Directors have also taken into account in making their recommendations the fact that acceptance of the Offer may then result in JAB Shareholders having securities in VAC which if listed on ASX, will be listed on a more liquid market than NSX. This may be considered to be of more value and benefit to JAB Shareholders than retaining their JAB Shares and seeking to trade them on NSX which appears to the Directors to be a market with less liquidity than ASX.

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The Directors believe that in assessing the Offer based on comparative net asset value alone, in the absence of a superior offer, the Directors would recommend the Offer due to the higher net asset value represented by the Offer and the potential for receiving securities in VAC which will be quoted on ASX and thereby having potentially greater liquidity

VentureAcess Capital Reasons for Acceptance of the Offer

In the Bidder's Statement, VentureAcess Capital has outlined a number of reasons why VentureAcess Capital considers the Offer should be accepted. In relation to the reasons provided by VentureAcess Capital, the Directors of JAB advise:

(a) JAB will require additional funding to continue to carry on business. This funding will need to be secured by way of equity and/or debt funding. No guarantee can be given that JAB will be successful in securing such additional funding.

(b) JAB is unable to form any opinion in respect of the past or future performance of VentureAcess Capital. Accordingly no guarantee can be given in respect of how performance of VentureAcess Capital Share's in the future might compare with the future performance of JAB Shares.

(c) JAB is unable to form any opinion in respect of the past or future performance of VentureAcess Capital management experience. Accordingly no guarantee can be given in respect of how performance of VentureAcess Capital's management in the future might compare with the future performance of JAB management.

(d) JAB is unable to form any opinion in respect of the availability of future opportunities for JAB Shareholders and JAB Optionholders who accept the Offer, to take pre-IPO positions in selected VentureAcess Capital investee companies.

Advantages and Disadvantages in Respect of Acceptance of the Offer.

If making the recommendations the JAB Directors have had regard to the following:

Acceptance of the Offers may afford the following advantages:

- The potential for JAB Shareholders to receive securities in VAC which will be quoted on ASX and thereby having potentially greater liquidity than they currently enjoy ;
- the potential for JAB Optionholders to hold options in an ASX listed company and thereby having potentially greater liquidity ;

Acceptance of the Offers may afford the following disadvantages:

- Although VentureAcess Capital may be successful in listing on ASX , no guarantee can be given that the market for securities of VAC will be more liquid than that of securities on issue in JAB on NSX;;
- By virtue of the existence of other existing shareholders in VentureAcess Capital , accepting JAB Shareholders will have a diminished capacity to influence the future direction and management of JAB if the Offer is successful;

These are not an exhaustive statement of all factors which may have impacted on the recommendations made by JAB Directors but are considered to be the material matters which have resulted in the recommendations made .

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This Further Supplementary Bidder's Statement was approved by a resolution of directors of JAB on the 24th day of January 2007

Dated the 24th day of January 2007:

Signed for and on behalf of JAB Technologies Ltd by Robert Boutflower Murdoch, being a director who was authorised to sign this statement by a resolution of the directors.



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Director

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