

e-business systems ltd

2 September 2008

The Manager
Company Announcements Office
Newcastle Stock Exchange Limited
PO box 283
Newcastle
NSW 2303
Australia

Dear Sir

Request for trading halt

Possible corporate transaction & resignation of David Glavonjic from his executive role as managing director

EBS advises that it has today lodged a separate announcement with the ASX making application for a trading halt. This follows recent talks with an external party for a possible corporate transaction.

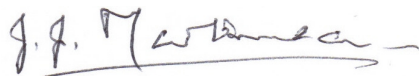
Broad agreement on terms has been reached between the parties as detailed in heads of agreement exchanged today. Discussions between the parties are at this stage confidential as well subject to contract as in all respects.

The understanding between the parties is that due diligence investigations will now be conducted on both sides and that formal agreements will be exchanged shortly. It is expected that, barring any unforeseen circumstances, exchange of formal agreements will take place approximately two weeks from today.

A further announcement will be made by EBS at that time. Details of the proposed transaction will then be released to the market and sent to shareholders when, it is anticipated, the trading halt applied for may be lifted. It should be noted that the possible transaction would require shareholder approval. This would be sought at the AGM in October.

EBS also advises that David Glavonjic has given notice of resignation from his executive role as managing director with effect from 30 September. This notice applies only to his executive position; he has confirmed his willingness to remain on the board in a non-executive capacity.

Yours faithfully



JJ Martineau
Director & company secretary
e-Business Systems Ltd

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