

# e-business systems ltd

10 October 2008

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

Dear Sir

## **Proposed merger with Corpnet (Australia) Pty Ltd**

This announcement is made further to the announcement dated 2 September concerning a possible corporate transaction.

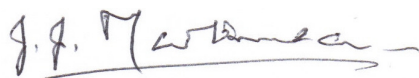
EBS advises that it has today entered into a formal merger agreement for the acquisition of Corpnet by way of share exchange. The merger agreement is subject to conditions – in particular to approval by shareholders in accordance with NSX listing rules – as it would, if completed, result in the current Corpnet shareholders taking a majority shareholding in the company.

Corpnet is an established and profitable IT solutions company founded in 2001. It is based in Brisbane and serves SMB and enterprise customers not only in Queensland but nationally.

A resolution approving the proposed merger will be put to shareholders at the AGM to be held in November. A formal circular (including notice of AGM and proxy form for voting in the usual way) will be sent to shareholders, and released to the market, very shortly. This will provide shareholders with appropriate information on the proposed merger including a summary of the merger agreement itself. Audited financial statements for the year ended 30 June 2008 (pursuant to the recent preliminary announcement dated 12 September) will be released at the same time.

The company intends to apply for the current trading halt to be lifted as soon as the formal circular has been released to the market and expects that trading in its shares will then become possible once more.

Yours faithfully



JJ Martineau  
Director & company secretary  
e-Business Systems Ltd

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