



27th February 2008

ASX ANNOUNCEMENT

Non-renounceable rights issue

Verticon Group Limited (**Verticon**) is pleased to announce a non-renounceable rights issue of approximately 62,517,679 shares (**New Shares**) on the basis of one New Share for every one ordinary share held at 7.00pm on 6 March 2008 (**Record Date**) at a price of 5.6 cents per New Share to raise approximately \$3,500,990.02 before expenses (**Offer**).

The Offer will be made without a prospectus in accordance with section 708AA of the *Corporations Act 2001*. Shareholders with a registered address in Australia or New Zealand that are on the register at 7.00pm on the Record Date (**Eligible Shareholders**) will be entitled to participate in the Offer. Shareholders that are not registered in Australia or New Zealand will not be entitled to participate in the Offer.

The purpose of the Offer, and the intended use of the funds raised by the Offer, is to reduce existing debt facilities and provide funding for future capital expenditure.

The Offer will be fully underwritten by Taraville Pty Ltd, which has a relevant interest in 25.94% of the voting shares in Verticon and has already indicated that it will take up its full entitlement of New Shares. Taraville will be paid an underwriting fee of approximately \$70,019.80, being 2.0% of the total underwritten amount. Depending on the level of acceptances by other shareholders, the Offer and the underwriting could result in Taraville's voting power increasing to up to 62.95%.

The rights issue is expected to be conducted in accordance with the following indicative timetable:

Announcement to ASX	27 February 2008
Letter to shareholders	28 February 2008
Existing shares quoted on an ex-entitlements basis	29 February 2008
Record date	6 March 2008
Despatch of Offer Document and Entitlement and Acceptance Form to shareholders	13 March 2008
Closing Date	31 March 2008
Company notifies ASX of under-subscriptions	2 April 2008
Issue and allotment	3 April 2008
Despatch of holding statements	8 April 2008
Expected commencement of normal trading in New Shares	11 April 2008

This timetable is indicative only and is subject to change.

Verticon will prepare and send an Offer Document and personalised Entitlement and Acceptance Form to Eligible Shareholders. As the Offer is being made under section 708AA of the Corporations Act, Verticon will not prepare a prospectus or other disclosure document for the Offer.

For the purposes of the Corporations Act, Verticon confirms that there is no excluded information in relation to Verticon at the date of this announcement.

Any queries in relation to the Offer should be directed to Andrew Torrington.

Andrew Torrington
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www.verticon.com.au