

Form 603
Corporations Act 2001
Section 671B
Notice of initial substantial holder

To: Company name/Scheme Verticon Group Ltd
ACN/ARSN ACN 111 398 040

1. Details of substantial holder (1)

Name **Zarvale Pty Ltd**
ACN (if applicable) ACN 112 047 248
The holder became a substantial holder on **22 May 2006**

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary Shares	3,400,000	3,400,000	5.452%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Zarvale Pty Ltd	Beneficial Owner	3,400,000 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Zarvale Pty Ltd	Zarvale Pty Ltd	Zarvale Pty Ltd	3,400,000 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Zarvale Pty Ltd	28/03/06-22/05/06	\$875,228	n/a	2,050,000 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of the person named in this form are as follows:

Name	Address
Zarvale Pty Limited	65 Carnegie St, Westlake, QLD 4074

Signatureprint name Marco Pagliaricapacity Director

sign heredate 24 May 2006