

GARRATT'S LIMITED

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Via Facsimile To: 1300 300 021

ANNOUNCEMENT

ELECTRODATA PTY LIMITED

On 20 March 2000 the Board of Garratt's Limited ("Garratt's") announced that it had agreed to accept an offer by Syman Pty Limited ("Syman") to purchase Electrodata Pty Limited ("Electrodata") for consideration of A\$2.0 million. Syman is a company in which Dr. Stanley Baker has an interest.

The documentation in regard to the sale was executed on 30 June 2000.

As previously announced, the sale is subject to:

1. Approval by St. George Bank to release the Garratt's Group from the guarantees and other obligations pursuant to the two research and development syndications entered into in 1995 and 1996;
2. Confirmation by AusIndustry that Electrodata shall be granted funding under the AusIndustry START Funding Scheme – as indicated in their letter of 16 February 2000; and
3. Approval of the shareholders of Garratt's.

St. George Bank has advised Garratt's that it is amenable to an early termination of the syndications in order that the sale may proceed. Electrodata has submitted to AusIndustry the information that they requested, and is now awaiting their reply.

On 29 June 2000 Dr. Stanley Baker resigned from the Board of Garratt's. Mr. Peter Burrows, Chairman, thanked Dr. Baker for his contribution to Garratt's during the 5 years and 9 months that he was a Director.

Christopher Campbell
Group Managing Director

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