

Empowernet International Ltd

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Manager of Company Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

3 December 2008

NON-RENOUNCEABLE RIGHTS ISSUE

Dear Sir/Madam

Empowernet International Limited (ASX:ENI) has today lodged documents with the ASX for its shareholders to participate in a non-renounceable rights issue (**Rights Issue**). Under the offer, eligible Empowernet shareholders will have the opportunity to subscribe for one new ordinary share for each fully paid ordinary share held on the record date (11 December 2008) at a price of \$0.006 per new share. The new shares will rank equally with other ordinary shares on issue.

If all shareholders take up their full entitlement under the Rights Issue, approximately a further 147,211,500 shares would be issued raising a maximum of \$883,269. The Rights Issue is not underwritten.

The Rights Issue is to be conducted in conjunction with a proposed share placement to sophisticated and professional investors of up to \$12 million (**Placement**) which was approved by shareholders at the Company's Annual General Meeting held on 28 November 2008. The Placement is fully underwritten by Superwoman Financial Solutions Pty Limited.

The Rights Issue allows eligible shareholders to increase their shareholding at the same price as the shares being offered in the proposed Placement and will minimise the dilution of existing shareholders under the Placement. Subscribers under the Placement will not be entitled to participate in the Rights Issue. If for any reason the proposed Placement does not complete or the Underwriting Agreement with Superwoman Financial Solutions Pty Limited is terminated, ENI will not proceed with the Rights Issue. The directors believe this approach strikes the correct balance between meeting the capital needs of ENI and fairness to existing shareholders.

The proceeds of the offer will be used by ENI to meet working capital requirements of the business.

Yours faithfully,



Owen Armstrong
Company Secretary