



(ACN: 057 345 785)

## ASX Announcement

# Powerlan Announces Intention to Undertake a Selective Capital Reduction and Intention to Privatise

28 August 2009

Powerlan Limited (the "Company") today announced that its Board is considering a proposal ("Proposal") made by its Chairman, Dr Ian Campbell, which Proposal is intended to result in the delisting and privatisation of the Company. For some time now Dr Campbell has been financially supporting the Company and he has indicated to the Board and to the Company's auditors that he is not prepared to continue that support unless steps are taken to privatise the Company. Dr Campbell has submitted that the expenses of operating a publicly listed company are no longer warranted having regard to Powerlan's revenue, asset backing and shareholder demographics.

The Proposal involves implementing a selective capital reduction whereby the Company will purchase and cancel the shares of all shareholders, other than those of a select group who Dr Campbell believes have contributed to the Company since his involvement and who he believes are likely to so contribute in the future. The price Dr Campbell has proposed is \$0.09 per share. Dr Campbell will be advancing to the Company the funds to enable the selective capital reduction to be implemented.

A Committee of independent non-shareholder directors has been appointed to consider the Proposal. An independent expert has been engaged to report to the Committee as to whether the Proposal is fair and reasonable to the Company's shareholders as a whole. Advice has also been sought from solicitors and the Company's tax agents in regard to certain aspects of the Proposal.

The Company expects that the report and advices will be received during September whereupon the Committee will report to the Powerlan Board and the Board will resolve whether or not to proceed to put the Proposal to the Company's shareholders. At that time the market will be notified of the Board's decision. If the Board resolves to proceed, then the Company will forward to the shareholders notices of meetings and associated documents to enable the shareholders to properly consider the Proposal.

For further enquirers etc.

**For more information contact:**

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### About Powerlan

Powerlan Limited (ASX: PWR) provides specialist information technology products and services through four operating divisions:

- Clarity ([www.clarity.com](http://www.clarity.com)) offers carrier-grade Operational Support Systems (OSS) and Network Management Systems (NMS) software solutions for telcos and enterprises.
- ConverterTechnology ([www.convertertechnology.com](http://www.convertertechnology.com)) provides software and services to help enterprises capitalize on the benefits of Microsoft Office 2007.
- IMX Software ([www.imxsoftware.com](http://www.imxsoftware.com)) provides a full portfolio of solutions to manage the international trading of banknotes, precious metals, foreign exchange and any other financial or stored value instrument including travellers cheques, pre-paid cards, international banker's drafts and money transfers.
- Omnix Software ([www.omnixsoftware.com](http://www.omnixsoftware.com)) provides specialised software solutions for mobile telecommunications operators that address the specific project delivery, property management and asset management requirements of complex 2G, 2.5G and 3G wireless networks.

All divisions are incorporated and operate as self-contained companies.