



SYNERGY EQUITIES GROUP

THE ASIA PACIFIC LEADER IN SECURE EMAIL

QUARTERLY ACTIVITIES REPORT for the period ended 31 March 2009

HIGHLIGHTS

Technology	<ul style="list-style-type: none">➤ International mining house commits to SMX➤ SMX pilot to commence at world-leading oil & gas company➤ SYNERGY Group appoints Security Advisory (Asia Pacific) to provide risk and security consulting services➤ Synergy Business Solutions Australia Pty Ltd completes telecommunications review to effect an annual cost reduction of over \$50,000 (ex GST)➤ primary SMX target market is Government (e.g. Government departments, Australian Taxation Office, Australian Federal Police, Australian Customs & Border Protection Service, Australian Securities & Investments Commission) and Corporate organisations with similarly high-security requirements (e.g. engineering firms, security companies, insurance companies, financial institutions, medical groups / hospitals)➤ secondary SMX target market is those organisations the Company is already dealing with, i.e. leading private and ASX listed companies & institutions (e.g. mining & industrial companies, the medical profession, Universities / TAFE, premier hospitality companies, sporting bodies, technology companies)➤ tertiary SMX target market is SME's (small-to-medium enterprises) and the lower-end of the Corporate market➤ pro-rata non-renounceable rights issue of listed options launched to raise funds for the Common Criteria certification of SMX
Corporate	<ul style="list-style-type: none">➤ transitioning of the Company's business model to reflect the emphasis on SMX continues➤ pro-rata non-renounceable rights issue of listed options launched, on the basis of four (4) New Options for every five (5) shares held at an issue price of \$0.001 (0.1 cents) each to raise approximately \$800,000➤ A\$180K share placement➤ Appendix 4D - Half Year Report for the Half Year Ended 31 December 2008 released

OVERVIEW

The quarter saw the Company's wholly owned subsidiary Data-inCrypt[®] Pty Ltd ("Data-inCrypt[®]") continue to move forward aggressively with the marketing of SMX secure registered email ("SMX"), whilst the Company itself continued the transitioning of its business model to reflect its emphasis on SMX. However, as noted in the ASX announcement of 13 Mar 09 the Company is not isolated from the current global financial situation and:

- 1) the marketing of SMX (through Data-inCrypt[®]) is likely to take longer than previously forecast (simply as a result of apparent restrictions on IT expenditure by major Australian corporations with whom the Company has been negotiating); and
- 2) the level of transactional income receivable by the Company from sales of existing products (by the Company's wholly owned subsidiary Synergy Business Solutions Australia Pty Ltd) is likely to decrease. The full level of the anticipated decrease cannot accurately be estimated at this point in time.

The above factors have impacted on the Company during the current quarter and as a result the Company's cash receipts decreased by 53% (being \$67,169) when compared to the previous quarter (the ASX announcement of 30 Jan 09 refers). As at 31 March 09, the Company's cash position stood at \$157,335 and trade debtors totalled \$34,125.

The Board considers this to be a direct result of the current global financial situation and is confident in moving forward with its products, staff and commitment, particularly given the continuing positive response to SMX received during Data-inCrypt[®]'s April 09 Eastern Seaboard roadshow (the ASX announcement of 30 Apr 09 refers). The Directors are firmly committed to SMX secure registered email and remain confident that the Company's goal will be achieved by becoming a market leader in secure email throughout the Far East / Asia Pacific region. **SMX is the product which your Board believes will enable the Company over the medium term to achieve cash-flow neutrality and then produce a maiden profit.**

As a result of the following steps taken by the Board to reduce operational costs (the ASX announcement of 13 Mar 09 refers), staff costs (being \$93,488) decreased by 47% and total net operating payments (including staff costs) (being \$225,392) decreased by 31% in this quarter when compared to the previous quarter:

- in mid 2008 the Board started taking steps to significantly reduce overhead costs commencing with the disbanding of the sales team and absorbing of the sales function by the Executive Directors;
- in late 2008, the Executive Directors agreed to a voluntary 33% reduction in salary until such time as financial conditions sufficiently improve and as well to forgo Directors' fees;
- a number of staff have been made redundant by the Company;
- remaining staff have agreed to take a 20% reduction in salary until such time as financial conditions sufficiently improve;
- the Company's consultants have agreed to defer fees until such time as financial conditions sufficiently improve; and
- a review of the Company's telecommunications requirements (incurred through Synergy Business Solutions Australia Pty Ltd) resulted in a cost saving of \$50,000 (ex GST) per annum as from April 09 (the ASX announcement of 05 March 2009 refers).

The Company launched a pro-rata non-renounceable rights issue of listed options in February (the ASX announcement of 20 Feb 09 refers), however the Board resolved to amend the terms of the new options to be offered to reduce the exercise price from \$0.015 (1.5 cents) each to \$0.010 (1 cent) each (the ASX announcement of 10 Mar 09 refers) and re-launched the rights issue on 17 Mar 09 (the ASX announcement of same date refers). The Board has been pleased with the response to the rights issue to date, and thanks Shareholders for their support during this important time for the Company. The rights issue is currently due to close at 5:00pm (WST) on Friday 15 May 2009.

The rights issue seeks to raise approximately \$800,000 for the Company. After deducting associated costs, funds from the Offer will be applied to the SMX sales & marketing plan that includes the Common Criteria certification of SMX. The certification of SMX will provide it with objective verified credibility in what the Company considers to be its primary target market of Government agencies and corporate organisations with similarly high-security requirements throughout the Asia Pacific region. In Australia, Federal Government departments are required to buy Common Criteria certified products whenever possible, as outlined in the Defence Signals Directorate's Australian Government Information and Communications Technology Manual.

The forthcoming overhaul of the Australian Privacy Act 1988 (Cth) will impact into all Australian organisations, small and large, private and Government. Whilst the Company's primary and secondary SMX target markets already have an undeniable need for SMX (the secondary target market being those organisations the Company is already dealing with,

i.e. leading private and top 100 listed companies), the changes to the Privacy Act will have the greatest impact on the Company's tertiary SMX target market, being SME's (small-to-medium enterprises) and the lower-end of the Corporate market, where technology-related privacy issues (and ultimately SMX) will come to the fore.

Data-inCrypt[®] held its third meeting with a major privately owned multinational organisation in Melbourne regarding SMX (the ASX announcement of 04 Feb 09 refers). Data-inCrypt[®] Directors met with and demonstrated SMX to nine representatives of the organisation's executive team, including its Chief Information Officer, Director of Governance & Compliance, Director of Global Supply Chain and Director of Human Resources. The organisation's evaluation of SMX is pending as at the date of this report.

Data-inCrypt[®] completed an initial 20 user commercial implementation of SMX for an International mining house based in Australia with offices in Canada and the United Kingdom (the ASX announcement of 16 Mar 09 refers). In this instance, the client has chosen the SMX hosted service. The mining house, whose principal activities include mineral exploration, development and mining in Africa, is using SMX to transmit and protect sensitive data both on its internal networks and on notebook computers used by its Senior Executives travelling throughout the world, particularly in third world countries where Government eavesdropping of email traffic is a common occurrence.

Data-inCrypt[®] held a further SMX secure registered email workshop / discovery session for one of the nation's largest publicly-traded oil and gas exploration and production companies (the ASX announcement of 31 March 09 refers). At the conclusion of the workshop / discovery session, the company advised that it would commence an SMX pilot in the coming weeks. Furthermore, Data-inCrypt[®] is given to understand that this organisation has budgeted for and intends to implement a secure email platform during the 2009 calendar year, with the implementation planned to be completed in the first half of the year (i.e. by 30 June 2009). Should Data-inCrypt[®] be selected as the organisation's preferred supplier for secure email, an in-house SMX implementation of the proposed magnitude would represent sales revenue in the region of AU\$500,000 (ex GST) to the Company in the first year, based on current pricing models.

The Company appointed Security Advisory (Asia Pacific) Pty Ltd, a privately owned highly specialised security risk services consultancy based in Melbourne, Victoria, to provide consulting services to the SYNERGY Group, including the protection of its intellectual property during the Common Criteria certification of SMX (the ASX announcement of 26 Mar 09 refers).

In February, the Company completed a small share placement of 45,000,000 Fully Paid Ordinary Shares at an issue price of 0.4 cents per share to sophisticated and private investors who are existing, long-term shareholders in the Company (the ASX announcement of 19 Feb 09 refers).

Glossary in brief

SYNERGY	is Synergy Equities Group Limited
the Company	is Synergy Equities Group Limited
SYNERGY Australia	is Synergy Business Solutions Australia Pty Ltd, SYNERGY's wholly owned subsidiary
Data-inCrypt[®]	is Data-inCrypt [®] Pty Ltd, SYNERGY's wholly owned Subsidiary
Data-inCrypt[®] SMX	is Data-inCrypt [®] SMX secure registered email
SYNERGY Group	is SYNERGY, SYNERGY Australia and Data-inCrypt [®]
ASX	is Australian Securities Exchange
SMX	is Data-inCrypt [®] SMX
SYG	is SYNERGY's ASX code

REVIEW OF OPERATIONS:

TECHNOLOGY

SMX meets with Multinational

The Company announced that Data-inCrypt® held its third meeting on 03 February 2009 with a major privately owned multinational organisation in Melbourne regarding SMX secure registered email (the ASX Announcement of 04 Feb 09 refers). Data-inCrypt® Directors met with and demonstrated SMX to nine representatives of the organisation's executive team, including its Chief Information Officer, Director of Governance & Compliance, Director of Global Supply Chain and Director of Human Resources. The organisation's evaluation of SMX is pending as at the date of this report.

2009 Telecommunications Review

The Company advised that its wholly owned subsidiary Synergy Business Solutions Australia Pty Ltd ("SYNERGY Australia") conducted a comprehensive review of the SYNERGY Group's telecommunications requirements going forward, taking into account the Group's transitioning to focus on SMX secure registered email. This review included the evaluation of new communications technologies, and concluded with a period of intensive negotiations with a number of national and international carriers. Once again, this review led to the re-appointment of SingTel Optus Pty Ltd ("Optus") as the Group's primary telecommunications carrier from April 2009 (the ASX announcement of 05 Mar 09 refers).

Negotiations with Optus resulted in a new contractual arrangement for the supply of Internet access to SYNERGY Australia that reflects a monthly cost reduction of 72% when compared to the arrangement existing prior to April 2009. This cost reduction equates to a saving of over \$50,000 (ex GST) per annum. The new arrangement makes use of the very latest technologies to ensure the continued delivery of high-grade Internet access to the SYNERGY DataCentre and its customers whilst also delivering a considerable cost saving to Shareholders.

Q&A – SMX & Common Criteria Certification

The Company provided the market with further information relating to the process and end-results of the forthcoming submission of SMX secure registered email for Common Criteria certification by the Defence Signals Directorate ("DSD") (the ASX announcement of 06 Mar 09 refers).

The Common Criteria for Information Technology Security Evaluation (known simply as "Common Criteria"), is an international standard for computer security. There is a mutual recognition agreement in place known as the Common Criteria Recognition Arrangement (CCRA), where each party recognises evaluations against the standard completed by participating nations, meaning that successfully evaluated products can be marketed as meeting Government policy requirements in the 26 CCRA participating nations which include Singapore, Malaysia, South Korea, Japan and New Zealand.

The evaluation will be carried out by one of the three Australasian Information Security Evaluation Facilities (AISEFs), being IT security testing laboratories that are accredited to conduct security evaluations for conformance to the Common Criteria. Data-inCrypt® has been and continues to apply due diligence to the three AISEFs, and once completed, Data-inCrypt® will work with its chosen AISEF to navigate the evaluation process. There are three phases:

- 1) Acceptance: this phase will focus on the preparation of the "Security Target" document, which will define in broad terms what SMX does and how it does it. Once this document is approved by the DSD, SMX will immediately be added to the DSD Evaluated Products List ("EPL") with a status of "in-evaluation".

Once this occurs, Government agencies are permitted to start implementing and using SMX. This is anticipated to occur within one month of commencing the process.

- 2) Evaluation: this phase will see SMX evaluated against the requirements of the Common Criteria, and is expected to be completed within a three to five month timeframe.
- 3) Certification: the final phase involves the submission of an "Evaluation Technical Report" to DSD and the addressing of any comments from the certification body before SMX's status on the EPL is changed to "certified". Once this is completed, SMX will be submitted to the international Common Criteria products list.

The entire certification process is anticipated to take six months.

The certification of SMX will provide it with objective verified credibility in what the Company considers to be its primary target market of Government agencies and corporate organisations with similarly high-security requirements

throughout the Asia Pacific region. In Australia, Federal Government departments are required to buy Common Criteria certified products whenever possible, as outlined in the DSD's Australian Government Information and Communications Technology Manual.

The size of the primary target market and corresponding sales revenues that SMX will be exposed to once certification has been achieved represents a tremendously exciting opportunity for the Company and promises the delivery of substantial rewards to Shareholders.

SMX Update – Privacy Act Review

The Company provided an update on the implementation of the proposed reforms to Australia Privacy Law and their potential positive impact on sales / revenues of SMX secure registered email (the ASX announcement of 09 Mar 09 refers).

The forthcoming overhaul of the Privacy Act 1988 (Cth) will impact into all Australian organisations, small and large, private and Government. Whilst the Company's primary and secondary SMX target markets already have an undeniable need for SMX (the primary target market being Government and Corporate organisations with similarly high security requirements and the secondary target market being those organisations the Company is already dealing with, i.e. leading private and top 100 listed companies), the changes to the Privacy Act will have the greatest impact on the Company's tertiary SMX target market, being SME's (small-to-medium enterprises) and the lower-end of the Corporate market, where technology-related privacy issues (and ultimately SMX) will come to the fore.

International Mining House commits to SMX

The Company advised that it had completed (through Data-**inCrypt**[®]) an initial 20 user commercial implementation of SMX secure registered email for an International mining house based in Australia with offices in Canada and the United Kingdom (the ASX announcement of 16 Mar 09 refers). In this instance, the client chose the SMX hosted service.

The mining house, whose principal activities include mineral exploration, development and mining in Africa, is using SMX to transmit and protect sensitive data both on its internal networks and on notebook computers used by its Senior Executives travelling throughout the world, particularly in third world countries where Government eavesdropping of email traffic is a common occurrence.

The mining house produces LME (London Metal Exchange) grade "A" copper cathode, copper in concentrate, gold and sulphuric acid, and is listed for trading on the Toronto Stock Exchange in Canada and the London Stock Exchange in the United Kingdom.

Appointment of Security Advisory (Asia Pacific)

The Company announced that it had appointed Security Advisory (Asia Pacific) Pty Ltd ("Security Advisory") to provide risk and security consulting services to the SYNERGY Group, including the protection of its intellectual property during the Common Criteria certification of SMX secure registered email.

Based in Melbourne, Victoria, Security Advisory (www.securityadvisory.com.au) is a privately-owned highly specialised security risk services consultancy providing advice and solutions to businesses, in order to create business resilience and maximise an organisation's ability to endure during difficult times. Security Advisory has a large and diverse client base, services the public and private industry sectors and is a leader in both strategic and technological security consultancy. It engages an elite range of people from a variety of backgrounds including intelligence, IT security, military, engineering, police, law and business consulting.

SMX pilot to commence at World Leading Oil & Gas Company

The Company advised that Data-**inCrypt**[®] held a further SMX workshop / discovery session for one of the nation's largest publicly-traded oil and gas exploration and production companies (the ASX announcement of 31 Mar 09 refers).

At the conclusion of the workshop / discovery session, the company advised that it would commence an SMX pilot in the coming weeks. Should Data-**inCrypt**[®] be selected as the company's preferred supplier for secure email, an in-house SMX implementation of the proposed magnitude would represent sales revenue in the region of AU\$500,000 (ex GST) to the Company in the first year, based on current pricing models.

CORPORATE

Resignation of joint Company Secretary

The Company advised that its Group Accountant Ms Vicky Oui had resigned from the position of joint Company Secretary (the ASX announcement of 23 Jan 09 refers). Mr Mark Popham, a current Director & Chief Financial Officer, continues in the position of Company Secretary.

2nd Quarter Activities Report for the Period Ended 31 Dec 08

The Company released its 2nd Quarter Activities Report for the Period Ended 31 Dec 08 (the ASX announcement of 30 Jan 09 refers).

2nd Quarter Cash Flow Report for the Period Ended 31 Dec 08

The Company released its 2nd Quarter Cash Flow Report for the Period Ended 31 Dec 08 (the ASX announcement of 30 Jan 09 refers).

Lapsing of Employee Option Incentive Scheme Options

The Company advised the lapsing of Employee Option Incentive Scheme Options (the ASX announcement of 05 Feb 09 refers).

Share Placement

The Company completed a share placement comprising 45 million Fully Paid Ordinary Shares at an issue price of 0.4 cents per share to sophisticated and private investors. The share placement represented 4.5% of the Company's enlarged share capital, ranked pari passu in all respects with the existing ordinary shares and was within the limits set out in the ASX Listing Rules, being issued under the Company's 15% placement capacity (the ASX announcement of 19 Feb 09 refers).

Pro-rata Non-renounceable Rights Issue

The Company announced that it will be offering eligible shareholders the opportunity to participate in a pro rata non-renounceable rights issue of options on the basis of four (4) New Options, exercisable at \$0.015 (1.5 cents) each via an expiry date being 19 Apr 2013, for every five (5) shares held at an issue price of \$0.001 (0.1 cents) each, to raise up to approximately AUD\$798,949 (the ASX announcement of 20 February 09 refers).

Information letter to Unlisted Option holders

The Company released a copy of a letter despatched to Unlisted Option holders in respect of its current pro-rata non-renounceable rights issue (the ASX announcement of 24 Feb 09 refers).

Information letter to Overseas Shareholders

The Company released a copy of a letter despatched to Overseas Shareholders in respect of its current pro-rata non-renounceable rights issue (the ASX announcement of 25 Feb 09 refers).

Information letter to Australian & New Zealand Shareholders

The Company released a copy of a letter despatched to Australian & New Zealand Shareholders in respect of its current pro-rata non-renounceable rights issue (the ASX announcement of 25 Feb 09 refers).

Appendix 4D – Half Year Report for the Half Year Ended 31 Dec 2008

The Company released its Appendix 4D – Half Year Report for the Half Year Ended 31 Dec 2008 (the ASX announcement of 27 Feb 09 refers).

Revised Timetable – Pro-rata Non-renounceable Rights Issue

The Company released a revised timetable for its current pro rata non-renounceable rights issue to facilitate the lodgement of a replacement Prospectus that will update information to take into account of the current global financial situation (the ASX announcement of 09 March 09 refers).

Withdrawal of Pro-Rata Non-Renounceable Rights Issue

The Company announced that in the course of preparation of the proposed replacement Prospectus the Board had resolved to amend the terms of the new options to be offered to reduce the exercise price from \$0.015 (1.5 cents) each to \$0.010 (1.0 cents) each (the ASX announcement of 10 March 09 refers).

Pro-Rata Non-Renounceable Rights Issue

The Company announced that it will be offering eligible shareholders the opportunity to participate in a pro-rata non-renounceable rights issue of options on the basis of four (4) New Options, exercisable at \$0.01 (1.0 cent) each via an expiry date being 06 May 2013, for every five (5) shares held at an issue price of \$0.001 (0.1 cents) each, to raise up to approximately AUD\$798,949 (the ASX announcement of 17 March 09 refers).

Pro-Rata Non-Renounceable Rights Issue Prospectus

The Company released a copy of its rights issue prospectus, dated 17 Mar 09 and lodged with ASIC earlier that day (the ASX announcement of 17 Mar 09 refers).

Information letter to Unlisted Option holders

The Company released a copy of a letter despatched to Unlisted Option holders in respect of its current pro-rata non-renounceable rights issue (the ASX announcement of 19 Mar 09 refers).

Information letter to Overseas Shareholders

The Company released a copy of a letter despatched to Overseas Shareholders in respect of its current pro-rata non-renounceable rights issue (the ASX announcement of 19 Mar 09 refers).

Information letter to Australian & New Zealand Shareholders

The Company released a copy of a letter despatched to Australian & New Zealand Shareholders in respect of its current pro-rata non-renounceable rights issue (the ASX announcement of 19 Mar 09 refers).

DISPOSAL OF RESIDUAL MINING ASSETS

Receivable from Meridian Mining Limited

In April 2005 the Company disposed of its residual mining assets to Mr R Morellini and Meridian Mining Limited (“Meridian”) (the ASX announcement of 18 April 05 refers). The Company continues to be concerned at the failure of Meridian to proceed with its prospectus and IPO, this being an integral part of the transaction negotiated by the Company for the benefit of shareholders.

As reported to ASX on 31 Oct 07, the Company has no clear assessment as to when or if the Meridian IPO prospectus will continue, and as such continues to monitor its legal options to ensure shareholder interests are fully protected.

It is to be noted however that the Company has fully provided in its previous accounts for receipt of the final settlement sum from Meridian and accordingly the delay has no impact on the financial results of the Company (the ASX announcement of 26 Sep 07 refers).

TECHNOLOGY (matters subsequent to 31 March 2009)

SMX to capitalise on email leaks & privacy breaches

The Company drew Shareholders and the market's attention to two breaches in privacy and email security that had been publicly reported over the last week or so (the ASX announcement of 06 Apr 09 refers), and have resulted in sales opportunities for SMX that are being actively pursued by Data-inCrypt®:

- 1) a Queensland-based pathology laboratory published the names, contact numbers and private details of at least 100 patients on its website. The records detailed relevant medical history, current medications, as well as patient's next of kin. (see <http://www.news.com.au/technology/story/0,28348,25253036-5014239,00.html>)
- 2) an email leaked from a major Australian & New Zealand retailer exposed the names of the organisations tendering for a major IT project believed to be worth in excess of \$100 million. (see <http://www.australianit.news.com.au/story/0,27574,25265738-15306,00.html>)

As well as representing potential sales opportunities for the Company, these incidents further demonstrate the growing need for SMX in all organisations, be they small or large, private or Government.

SMX to meet eHealth Secure Messaging Requirement

The Company announced that Data-inCrypt® had accepted an invitation to consult on the "secure messaging" requirement of the National E-Health Transition Authority's (NEHTA) (www.nehta.gov.au) PIP (Practice Incentive Program) for General Practitioners (the ASX announcement of 20 Apr 09 refers).

Data-inCrypt® recently submitted SMX secure registered email for inclusion on NEHTA's list of approved secure messaging products, which means that any General Practice in Australia using SMX will meet one of the three primary requirements of the PIP eHealth Incentive, and as such is eligible for corresponding payments from Medicare Australia.

As well as presenting potential sales opportunities for SMX amongst General Practitioners throughout Australia, the invitation to consult on industry-wide specifications for secure messaging represents a tremendous opportunity for the exposure of SMX in an industry where privacy concerns are an ever-increasing issue.

2009 Eastern Seaboard SMX Workshops & Discovery Sessions Commence

The Company advised that Data-inCrypt® was to commence its 2009 calendar year programme of regular SMX workshops / discovery sessions across the Eastern Seaboard during the week commencing Monday 20 April 2009 (the ASX announcement of 20 Apr 09 refers).

April 2009 Eastern Seaboard SMX Workshops / Discovery Sessions

The Company advised the entities / organisations that Data-inCrypt® held SMX workshops / discovery sessions for in Sydney and Melbourne during the last week (the ASX announcement of 30 Apr 09 refers) included:

NSW Independent Commission Against Corruption (ICAC) (www.icac.nsw.gov.au)

The Independent Commission Against Corruption (ICAC) was created by the Independent Commission Against Corruption Act 1988. It has the authority to investigate any matter involving public sector corruption in NSW. Its aims are to protect the public interest, prevent breaches of public trust and guide the conduct of public officials.

Data-inCrypt® held an SMX workshop / discovery session for ICAC's Executive Director, Corporate Services and Manager, Information Management & Technology. Being a Government agency, ICAC represents an immediate target for SMX once Common Criteria certification has commenced.

Wesfarmers Insurance (www.wesfarmersinsurance.com.au)

Wesfarmers first started insurance operations in 1919 as a rural insurer. In October 2003 it acquired Lumley Group and formed Wesfarmers Insurance. Based in Sydney, Wesfarmers Insurance comprises three general insurance underwriters, two insurance brokers and various other insurance and financial services businesses operating in Australia, New Zealand and the United Kingdom. Wesfarmers Insurance has over 150 locations in Australia, New Zealand and the United Kingdom and employs more than 3,000 people.

Data-inCrypt® held an SMX workshop / discovery session for Wesfarmers Insurance's Security and Risk Manager, who indicated that SMX would be tabled as a potential project in the second half of calendar year 2009.

Project Management Institute – Australian Chapters (www.pmichapters-australia.org.au)

Established in 1969 and headquartered outside Philadelphia, Pennsylvania USA, the Project Management Institute (PMI) is the world's leading not-for-profit project management professional association, with over 125,000 members worldwide. The first PMI Chapter in Australia was formed in 1996 and today there are Chapters in Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney. The activities of the individual Chapters are coordinated through the Australian PMI Council (APC).

Data-inCrypt® held an SMX workshop / discovery session for a pre-eminent Board member of PMI's Sydney Chapter, who acknowledged a need for SMX within PMI and committed to prepare a formal requirements document for presentation to other Board members within the next month.

AXA Australia (www.axa.com.au)

AXA Australia ("AXA") is a member of the Global AXA Group, one of the largest financial services groups in the world with an enviable track record in meeting the superannuation, investment and insurance needs of more than 65 million customers worldwide. As the market knows, Data-inCrypt® was asked to complete a customised technical design for an in-house SMX solution (the ASX announcement of 27 Nov 08 refers). Subsequent to the provision of that design, AXA has delayed its implementation of SMX due to the current global financial situation.

Data-inCrypt® met with AXA's Information Security Manager (Information Systems), who reiterated AXA's desire to proceed with the SMX project once capital expenditure funds are made available.

Australian Football League (www.afl.com.au)

An Australian Icon, the Australian Football League (AFL) is one of the largest sectors in Australia's sport and recreation industry. The game is Australia's premier spectator sport attracting more than 14 million people to watch all levels of the game across all communities. Participation continues to expand, with a total 638,000 registered participants nationally in 2007, an increase of 9.8% on the previous year. Defined as an industry, the game contributes in excess of \$1 billion annually to the Australian economy according to independent research. The AFL commands high levels of corporate sponsorship, massive media coverage for 12 months of the year and huge attendances.

Data-inCrypt® held an SMX workshop / discovery session for the AFL's Manager, Information Technology who acknowledged a definite need for SMX within the AFL corporate office, state bodies and the AFL clubs themselves. He committed to holding discussions in this regard with AFL executives to be followed by a further meeting with Data-inCrypt® in three to four weeks time.

Shannon's Way (www.shannonsway.com.au)

Shannon's Way, in its 16 year journey, has evolved from a traditional advertising agency to Australia's leading Social Marketing Communications Company focused on attitude and behavioural change campaigns that stimulate action. Together with its client partners, Shannon's Way has created and implemented some of the most ground breaking behavioural change programs in Australia.

Data-inCrypt® held an SMX workshop / discovery session for Shannon's Way's Finance Director, who has requested Data-inCrypt®'s assistance in the review of Shannon's Way's email architecture, and the preparation of a corresponding strategy for the security and integrity of its email going forward.

Wirelessworx (www.wirelessworx.com.au)

Wirelessworx has 28 years of experience in successfully bringing new solutions to market, focussing on Point of Service systems through to advanced online transaction processing involving non technical users, high throughput and mission critical transaction systems. Wirelessworx's security specialisation has been developed through remote database integration work with Oracle and high performance scalability development work in the gaming industry.

Data-inCrypt® held an SMX workshop / discovery session for Wirelessworx's Managing Director. Data-inCrypt® and Wirelessworx will be holding further discussions and intend to explore potential synergies with regards to both companies' technology and customer bases in the coming months.

Etihad Stadium (www.etihadstadium.com.au)

Etihad Stadium, formerly known as Colonial Stadium and then Telstra Dome, is a multi-purpose facility designed to cater for major sporting and entertainment events, as well as social, business and private functions. The stadium is situated in the heart of Melbourne's Docklands, just minutes from the CBD. Etihad Stadium is the only football stadium in the Southern Hemisphere with a fully retractable roof. Since opening on 09 March 2000 more than 19-million people have passed through the venue's turnstiles.

Data-inCrypt® held an SMX workshop / discovery session for Etihad Stadium's Chief Financial Officer, who acknowledged a real need for SMX and committed to conducting internal discussions at Etihad Stadium prior to a further meeting with Data-inCrypt®.

The Arts Centre (www.theartscentre.com.au)

The Arts Centre is the flagship of the performing arts in Victoria, and the focal point of Melbourne's cultural precinct. It manages some amazing facilities including Hamer Hall, the Sidney Myer Music Bowl, the State Theatre, the Playhouse, the Fairfax Studio, the ANZ Pavilion, and the Black Box; plus extensive technical and production facilities, rehearsal and dressing rooms, administration, food and beverage outlets, art collections, gardens and a host of support services making it a round-the-clock operation.

Data-inCrypt® held an SMX workshop / discovery session for The Arts Centre's Manager Safety & Security and Chief Information Officer, who both confirmed a need for SMX within The Arts Centre's security and corporate staff, and committed to undertake internal discussions at The Arts Centre prior to a further meeting with Data-inCrypt® in three to four weeks.

In addition to demonstrating SMX secure registered email, SYNERGY showcased its latest investor presentation to several national media outlets during the week (as foreshadowed in the ASX announcement of 20 Apr 09).

CORPORATE (matters subsequent to 31 March 2009)

Despatch of Pro-rata Non-renounceable Rights Issue Prospectus

The Company advised that it has despatched its current rights issue Prospectus with Entitlement & Acceptance Form to eligible Australian and New Zealand shareholders (the ASX announcement of 01 April 09 refers).

Extension of Offer Period – Pro-rata Non-renounceable Rights Issue

The Company advised that the closing date for its current rights issue offered under the Prospectus dated 17 March 2009 has been extended to 5:00pm (WST) on Friday, 15 May 2009 (the ASX announcement of 20 Apr 09 refers).

Latest Investor Presentation – April 2009

The Company released its latest Investor Presentation (the ASX announcement of 28 Apr 09 refers).

DISPOSAL OF RESIDUAL MINING ASSETS (matters subsequent to 31 March 2009)

No matters subsequent.

EXPENDITURE

The Proforma Statement of Consolidated Cash Flows is provided in a separate report.

Dated this 30th day of April 2009.

Signed on behalf of the Board of Synergy Equities Group Limited

Ronald Moir
Managing Director
SYNERGY EQUITIES GROUP LIMITED
