



SYNERGY EQUITIES GROUP

THE ASIA PACIFIC LEADER IN SECURE EMAIL

ASX / MEDIA RELEASE

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STRATSEC TO CONDUCT COMMON CRITERIA CERTIFICATION OF SMX



As the market knows, Synergy Equities Group Limited's ("the Company", ASX : SYG) recent pro-rata non-renounceable rights issue was undertaken partly to raise capital to fund the Common Criteria certification of SMX secure registered email by the Company's wholly owned subsidiary Data-inCrypt® Pty Ltd ("Data-inCrypt®") (the ASX announcements of 13 Nov 08, 06 Mar 09 & 17 Mar 09 refer). Following the successful conclusion of the rights issue (the ASX announcement of 03 Jun 09 refers), the certification process can now commence.

In late 2008, Data-inCrypt® started extensive due diligence on the three Australasian Information Security Evaluation Facilities (AISEFs), being CSC Australia, Logica and Stratsec Pty Ltd (the ASX announcement of 13 Nov 08 refers). The Company is now pleased to announce on behalf of Data-inCrypt® that due diligence has been completed and Stratsec Pty Ltd ("Stratsec", www.stratsec.net) has been awarded the contract to conduct the Common Criteria certification of SMX.

Data-inCrypt® expects to complete the necessary arrangements and execute contracts with Stratsec throughout the remainder of June and into July 09, with the certification process to formally commence in late July / early August 09 - this in turn will result in the inclusion of SMX on the Defence Signals Directorate ("DSD") Evaluated Products List with a status of "in-evaluation" some time in September 09. Once this occurs, Government agencies are permitted to start implementing and using SMX (the ASX announcement of 06 Mar 09 refers).

About Common Criteria certification <http://www.commoncriteriaportal.org>

The Common Criteria for Information Technology Security Evaluation (known simply as "Common Criteria"), is an international standard for computer security. Common Criteria momentum has significantly increased over the last few years with hundreds of products entering into evaluation throughout the world each year. It is fast becoming a necessity for products with security functionality to have a Common Criteria evaluation performed. Those products that have not been formally evaluated are often playing catch-up with competitor's products that have received certification.

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. Once SMX is certified under the Common Criteria, Government agencies and Corporate organisations with similarly high-security requirements (e.g. engineering firms, security companies, financial institutions etc.) throughout these nations will be immediately assured that SMX offers an appropriate level of security and protection for their information networks without needing to conduct their own tests.

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 (see <http://www.dsd.gov.au/library/infosec/ism.html> for further information).

About Stratsec (www.stratsec.net)

Stratsec is a 100% Australian-owned specialist security engineering and information risk management services company, started by Doug Stuart and business partner Peter Lilley in 2004 after they recognised a gap in the Australian market for an independent information security consultancy. In May 2009 Stratsec merged with SIFT, Sydney's largest information security and training firm, to form the leading independent information security company in the region. Stratsec's head office is located in Canberra, with other offices in Sydney, Melbourne, Perth and Singapore.

Doug Stuart and Peter Lilley have both previously filled the roles of Australasian Information Security Evaluation Program (AISEP) Manager and Principal Certifier and they are credited with founding and shaping important business processes within the AISEP. Doug has also had significant experience with providing evaluation support consulting for Microsoft's evaluation of the Windows operating systems in the USA. He worked for an extended period of time in the USA on reviewing source code for various components and writing both high-level and low-level design deliverables.

As well as conducting engagements within Australia, Stratsec has completed projects for clients located in Israel, New Zealand, United States of America, United Kingdom and Europe. Stratsec specifically delivers services to the Australian Government and various State Government agencies along with overseas clients including Microsoft, SAIC, SanDisk and the Malaysian Government. Stratsec has also worked with several financial institutions alongside its government and international clients. Stratsec recently completed an 18 month engagement for DSD that involved the redevelopment of the AISEP and the approach to conducting and certifying IT security evaluations in Australia.

The Company, through Data-**inCrypt**[®], looks forward to working with Stratsec over the coming months, and to keeping the market informed throughout the Common Criteria certification process. The successful certification of SMX will represent a significant milestone in the development of the Company as it continues to transition its business model to reflect the emphasis on SMX secure registered email.

Yours faithfully

Ronald Moir
Managing Director
SYNERGY EQUITIES GROUP LIMITED

