



03 June 2009

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The Manager
Company Announcements Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Via Electronic Lodgement**PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE CLOSES****NOTIFICATION OF UNDERSUBSCRIPTION**

Synergy Equities Group Limited (“the Company”, ASX : SYG) is pleased to announce that despite the difficult market, the pro-rata non-renounceable rights issue announced by the Company on 17 March 2009 closed on 29 May 2009 with relatively strong support from shareholders.

Applications were received from eligible shareholders for 250,059,501 options, with applications also being received for an additional 150,518,490 shortfall options, making a total of 400,577,991 options (50.14% of eligible options on offer) and leaving a shortfall of 398,371,445 options.

Ronald Moir, the Company’s Managing Director, commented: “our rights issue faced some of the most difficult market conditions ever but was nevertheless well supported with 379 shareholders applying for their entitlements and 152 of these applying for additional options.”

The rights issue raised approximately \$400,578 before costs of the issue. The funds will be used to develop the Company’s assets and for working capital, as described in the Prospectus. Holding statements for the new listed options will be despatched on Tuesday, 09 June 2009. ASX have indicated that the options will be quoted the following day, being Wednesday, 10 June 2009.

In accordance with the Prospectus, the Directors are able to place any remaining shortfall options at any time up to three months after the closing date of the issue. The Company will release any details regarding the placement of shortfall options as soon as possible.

The Company’s Managing Director, Ronald Moir, has agreed to subscribe for an additional 100 million options from the shortfall, on the same terms as the rights issue, subject to approval by shareholders at a general meeting to be called for July 2009.

Yours faithfully

Mark Popham
Company Secretary & CFO
SYNERGY EQUITIES GROUP LIMITED