



(ACN: 057 345 785)

ASX Announcement

Takeovers Panel Confirms Rights Issue Can Proceed

29 January 2010

The Takeovers Panel confirmed today that Powerlan's 4:1 renounceable rights issue at \$0.06 per share ("Rights Issue") can proceed once Powerlan clarifies certain matters in a Supplementary Prospectus.

The issues to be clarified are the mechanism for allocating any shortfall of shares to Powerlan shareholders and the arrangements between Bizzell Capital Partners and its sub-underwriters.

Powerlan intends to release the Supplementary Prospectus as soon as possible.

The Board of Powerlan continues to believe that the Rights Issue is in the best interests of the Company and its shareholders.

In addition, the Board continues to recommend unanimously that shareholders take no action in respect of the unsolicited and highly conditional proposal ("Conditional Proposal") from Alpha Growth International (Australia) Pty Ltd ("Alpha").

To enable Powerlan shareholders to consider the Rights Issue in a fully informed manner and to keep the market fully informed, Powerlan has again written to Alpha seeking urgent clarification of a number of matters in its Conditional Proposal as well as confirmation of its previously stated intentions to take up its Rights.

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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) offers carrier-grade Operational Support Systems (OSS) and Network Management Systems (NMS) software solutions for telcos and enterprises.
- ConverterTechnology (www.convertertechnology.com) provides software and services to help enterprises capitalize on the benefits of Microsoft Office 2007.

- IMX Software (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) 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, 3G and 4G/LTE wireless networks.

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