



Thursday 2nd December 2010

MARKET ANNOUNCEMENT

Sofcom (SOF: ASX) (the **Company**) has previously announced on 11 October 2010 that it entered into an agreement to acquire all of the issued share capital in Bluechiip Limited in consideration for the issue of shares in the Company to Bluechiip's shareholders.

The acquisition was subject to the satisfaction of a number of conditions including but not limited to the approval of the shareholders of the Company, a restructure of the capital of Sofcom and a capital raising of a minimum of A\$3 million under a public offer.

It has now become apparent that the conditions would not be able to be satisfied prior to completion, and the parties to the Agreement have agreed to terminate the Agreement and release each other from the obligation to complete the Agreement.

The Company is in discussions with a number of other entities interested in utilising the Company as a vehicle for listing on ASX.

The Company will keep the market advised of all developments.

Further Information

Kristian Stebbing
Director
03 9399 7288
kstebbing@sats.net.au

SOFCOM LIMITED
A.B.N.88 087 482 602
Registered Office
308 Kororoit Creek Rd
Williamstown VIC 3016