



Tuesday 4th October 2011

MARKET ANNOUNCEMENT

Sofcom (SOF: ASX) (the **Company**) has previously announced on 3 February 2011 that it entered into an agreement to acquire Whip Cracking Productions Pty Ltd.

The acquisition was subject to the satisfaction of a number of conditions, which included the approval of the shareholders of the Company, a restructure of the capital of Sofcom and a capital raising to fund the marketing initiatives in the business and commercialisation plan.

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.

The Company is in discussions with a number of other entities interested in utilising the Company as a vehicle for listing on ASX and remains confident that it can undertake a strategic acquisition and seek formal approval from ASX.

The Company will keep the market advised of all developments.

Further Information

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