

30 April 2012

Companies Announcements Office
Australian Securities Exchange

Ellect Holdings Limited (**Company**) (ASX: EHG) Market Update

Further to our market announcement made 10th November 2011, we are pleased to inform the market that the Company is negotiating to invest in a business, which would lead to it applying for re-quotations of the Company's shares by the Australian Securities Exchange (ASX).

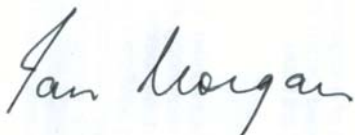
The following progress has been made:

1. Negotiations are being undertaken with an interested party in regard to its business being acquired by the Company; and
2. Each party has expressed a willingness to proceed and documents are being negotiated.

The negotiations are at an advanced stage, but not final.

The Company anticipates applying for re-instatement by about the end of June 2012, subject to successful finalisation of the present negotiations

No binding agreement has to date been entered into.



Ian Morgan
Company Secretary