



CONSEGNA GROUP LIMITED

ABN: 12 107 903 159

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SHARE REGISTRY

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Dear Shareholder,

2013 promises to be an exciting year for Consegna as we restructure the business around the BreatheAssist technology. Our focus is on creating a compelling strategy that will allow the Company to monetise the significant opportunities that we believe exist in the Sport, Snoring, Olfactory, Sleep and Drug Delivery applications. A key part of this has been restructuring the Company to ensure it can deliver these outcomes.

An important part of this restructure is the capital consolidation that was approved by shareholders at a General Meeting on the 28th of March 2013. The Board believe that the significant number of shares on issue (1,431,047,555) would be a hindrance to the creation of future value and that a consolidation of capital would assist the Company to create long term value for all shareholders. The approved 1:5 consolidation of capital means that there are now approximately 286,209,511 shares on issue.

This statement details how this consolidation has impacted your holding. The number of fully paid shares/options held by you before and after the capital consolidation (as shown on this statement) has been converted on the basis of 1 share for every 5 shares previously held and 1 option for every 5 options previously held (a new Application for Exercise of Options Form is attached if applicable). The capital consolidation took effect on 10 April 2013 and any fractions have been rounded up.

Should you have any questions regarding your holding please do not hesitate to contact our company secretaries Philip Hains or Justyn Stedwell on 03 9824 5254.

Thank you for your continued support of the Company through what has been a difficult time. I remain confident that the company has a strong and promising future and that your trust and investment are well placed. Should you have any questions regarding the Company's strategy please feel free to call me on my mobile 0417 399 550 at any time.

Kind regards

Michael Johnson
CEO