



ECSIlimited

ABN 68 004 240 313
145 Flinders Lane
Melbourne, Victoria, 3000
Australia

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Company Update

NARS System - Progress and Due Diligence

Over the past months the Directors have been reviewing the strategy for the Company for the next 12 months and have been carrying out on-going due diligence.

Extensive meetings have been held together with our partner in Beijing in relation to the further expansion of the NARS System that is operating in Chengdu and they are about to upgrade the system so it can be centrally operated thus reducing overheads.

Costs associated with the new requirements for the integration of the NARS System are under review. This review will take some months to develop.

Appointment of Specialist Advisory Group

The directors of ECSI Limited ("ECSI" or the "Company") are pleased to announce the formalisation of an agreement with Alpha Wealth Financial Services Pty Ltd ("Alpha") to provide ECSI with specialist advisory and consultancy services.

Alpha has been engaged to identify, review and provide ECSI with commercial, trade, business and related opportunities in China and South East Asia.

The services provided by Alpha include sourcing, qualifying and introducing parties to ECSI for the purpose of joint venture investment opportunities, the acquisition of assets and/or projects, and the provision of capital funds for investment including infrastructure projects.

Alpha will also provide ECSI with administrative services based of offices in Shanghai; Hong Kong; Scottsdale, Arizona; Sydney and Melbourne.

Opportunities

Through its association with Alpha, the ECSI board was invited to join an official delegation hosted by the Heilongjiang Provincial Government in China to consider potential investment and commercial opportunities.

- The delegation visited Shanghai, Harbin and other major cities in the Heilongjiang Province in China to review selected investment opportunities as well as attending various economic briefings in each of the respective cities.
- ECSI, with the assistance and advice of Alpha, is developing strategies relating to the possible business expansion into China.

Alpha has secured access to a range of opportunities, including those described below.

These opportunities include:

- Hong Kong Telecommunication business: Meetings have been held with a telecommunications company dealing in Hong Kong and China in relation to a possible takeover, or joint venture to determine whether this will assist expansion of the NARS System. Alternatively, this may be a worthwhile investment in its own right.
- Pu-Neng Coking Coal Facility in Qi-Tai-He City, Heilongjiang Province in China: Pu-Neng Coal Chemicals Limited currently operates a coal coking and washing facility and has various coal mining tenements options and further processing opportunities.
- Agricultural Products: As part of a total economic and regional briefing, the delegation was introduced to various agricultural operations including Arctic Blueberry Holdings.

The Directors of ECSI are collating information in relation to all the opportunities identified above and will be working with Alpha and other experts to decide our business plan for the next year.

Jim Green
Chairman