

4 December 2008

Dear Shareholder

On 3 December 2008, Empowernet International Limited (**Empowernet**) announced a non-renounceable rights issue (**Rights Issue**) of one fully paid ordinary share in Empowernet (**New Share**) for every existing Empowernet share held at 5.00pm (AEDT) on 11 December 2008 (**Record Date**) at an issue price of \$0.006 per New Share.

If all shareholders take up their full entitlement under the Rights Issue, approximately a further 147,211,500 shares would be issued raising a maximum of \$883,269. The Rights Issue is not underwritten.

The Rights Issue is to be conducted in conjunction with a proposed share placement to sophisticated and professional investors of up to \$12 million (**Placement**) which was approved by shareholders at the Company's Annual General Meeting held on 28 November 2008. The Placement is fully underwritten by Superwoman Financial Solutions Pty Limited.

The Rights Issue allows eligible shareholders to increase their shareholding at the same price as the shares being offered in the proposed Placement and will minimise the dilution of existing shareholders under the Placement. Subscribers under the Placement will not be entitled to participate in the Rights Issue unless they are already an eligible shareholder as at the record date. New Shares issued pursuant to the Rights Issue will rank equally with all other Empowernet shares on issue.

The proceeds of the Rights Issue will be used by Empowernet to meet working capital requirements of the business.

All shareholders on the register of members of Empowernet on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**) will be entitled to participate in the Rights Issue. Please note that unless Empowernet determines otherwise, shareholders that have an address registered outside Australia or New Zealand as at the Record Date will not be eligible to participate in the Rights Issue.

Empowernet does not require shareholder approval for the Rights Issue.

Empowernet is not required to prepare a prospectus for the Rights Issue pursuant to section 708AA of the Corporations Act 2001 (Cth) (**Act**) and has lodged a notice with ASX under section 708AA(2)(f) of the Act in relation to the Rights Issue. Empowernet will send an Offer Document to Empowernet shareholders in accordance with the timetable set out below to provide further information to shareholders about the Rights Issue together with an Entitlement and Acceptance Form on which Eligible Shareholders can apply to take up their entitlements.

Event	Date
Offer Document lodged with ASX	3 December 2008
Notice to Shareholders containing information in Appendix 3B	4 December 2008
Shares quoted on an "ex" entitlement basis	5 December 2008

Event	Date
Record Date for determining entitlements to New Shares	5.00pm (AEDT) on 11 December 2008
Offer document and Entitlement and Acceptance Form despatched to Eligible Shareholders	17 December 2008
Offer opening date	17 December 2008
Offer closing date	5.00pm (AEDT) on 9 January 2009
Trading on ASX of New Shares on deferred settlement basis	12 January 2009
Empowernet notifies ASX of under-subscriptions	14 January 2009
Anticipated date for allotment and issue of New Shares	16 January 2009
Despatch holding statements	19 January 2009
Trading on ASX of New Shares on normal settlement basis	20 January 2009

This timetable is indicative only and is subject to change. The Directors of Empowernet reserve the right to vary these dates, including the Closing Date in accordance with the ASX Listing Rules. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the New Shares.

The Directors of Empowernet also reserve the right not to proceed with the Rights Issue at any time prior to the allotment and issue of the New Shares. In that event any application monies received by Empowernet will be returned in full to applicants (without interest). The Directors have confirmed that in the event that the proposed 2,000,000,000 Placement of New Shares does not proceed or the Underwriting Agreement with respect to the Placement is terminated, Empowernet will not proceed with the Rights Issue.

I encourage you to carefully read the Offer Document and the Section 708AA Notice before deciding whether to acquire New Shares and to consult your financial adviser before making any investment decision.

If you wish to apply for New Shares under the Rights Issue, you will need to lodge an Entitlement and Acceptance Form along with application monies with Empowernet's share registry, Computershare Investors Services Pty Limited, by the close of the Rights Issue Offer at 5.00pm (AEDT) on 9 January 2009. Alternatively, you may arrange for payment through B-Pay in accordance with the instructions on the Entitlement and Acceptance Form.

Yours faithfully



Michael Burnett
Managing Director