



ASX ANNOUNCEMENT

14 January 2005

Company Announcements Office
Australian Stock Exchange

Adacel Technologies Limited
ABN 15 079 672 281
240 Bay Street
Brighton, Victoria 3186
Australia
t. +61 3 8530 7777
f. +61 3 9596 2960

The following announcement is issued by the company for release to the market.

RIGHTS ISSUE

Adacel Technologies Limited advises that as of the close of business Tuesday, 11 January 2005, the 1 for 3 Non Renounceable Rights Issue closed with acceptances being received for 14,328,604 New Shares. This represents a takeup of approximately 66.0% of New Shares on offer under the Rights Issue. After excluding overseas shareholders who were not eligible to participate, the number of New Shares to be issued under the Rights Issue is 21,685,251.

The balance of the New Shares not subscribed for by eligible shareholders will be taken up by Bell Potter Securities Limited as underwriter to the Rights Issue in accordance with the underwriting arrangements.

Adacel Technologies Limited

Errol Turner
Company Secretary