

## **ASX Announcement: Completion of Tranche 1 of Capital Raising**

**Friday 9 May 2003**

**Company Announcements Office Australian Stock Exchange**

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

### **COMPLETION OF TRANCHE 1 OF CAPITAL RAISING**

Under the \$7.5 million capital raising program announced on 1 May 2003, Adacel has now completed the Tranche 1 placement to institutional and other sophisticated investors. Under Tranche 1, the company raised A\$2.5 million through the issue of 4,098,361 ordinary shares at \$0.61 per share and 1,821,494 options granted on the basis of four free attaching options for every nine new shares. The options have a strike price of A\$1.00 and an expiry date of up to 16 March 2006. As a result of its participation in the Tranche 1 placement, major shareholder, Thorney Holdings Pty Ltd, has increased its interest in the company to 19.9%.

The remaining stages of the capital raising, being the Tranche 2 placement and a Share Purchase Plan, are subject to shareholder approval at an Extraordinary General Meeting expected to be held in June.

### **BOARD OF DIRECTORS**

As foreshadowed in the company's announcement of 1 May 2003, Mr Julian Beale has accepted an invitation to join Adacel's Board as Deputy Chairman. Mr Beale's appointment, which is subject to shareholder approval, will become effective at the Extraordinary General Meeting expected to be held in June.

*Adacel Technologies Limited*

*Errol Turner*

*Company Secretary*