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**ASG GROUP LIMITED
STAFF ANNOUNCEMENT: ACQUISITION OF A-DB
RELEASE DATE: 1 OCTOBER 2008**

ASG Builds Position in Queensland, South Australia with A-DB Acquisition

I am pleased to announce that ASG has acquired Brisbane-based Acknowledge-DB Group and we welcome the staff of A-DB in Brisbane and Adelaide to ASG.

The acquisition is of strategic importance to ASG as it significantly enhances our presence in the burgeoning Queensland market as well as providing ASG with its first on-ground presence in the growing South Australian market.

The acquisition is part of the Company's strategy of building capability and national reach through organic growth and targeted acquisitions. The acquisition also gives ASG its first exposure to the defence sector where A-DB has an established presence.

ASG now has a truly national network with offices in every mainland capital city and in Canberra.

A-DB is a strong, established business with an outstanding portfolio of clients, many of whom are long-term customers.

It also has a great blend of government and blue-chip corporate clients, with presence in education, health, defence and financial services.

We believe the acquisition will provide ASG with a great additional customer base and a springboard to build a substantial market share in Queensland and South Australia."

This is a great opportunity for our existing staff to further develop their skills and experience across a broader customer base.

ASG is now a very strong presence across the East Coast and this consolidates our place in the very competitive IT services market.

A-DB has operated in Brisbane since 1997 and in Adelaide since 1983. It employs 55 staff and had annual revenue of approximately \$6 million in FY2007.

Key services offered by A-DB include:

- Oracle and Microsoft database administration
- Application Development - Oracle, Java, .NET, SOA
- Defence systems consulting and support
- Specialist IT recruitment
- Certified Oracle, SUN and HP education
- Oracle Software licensing.

Existing clients include Queensland Health, Queensland Rail, BAE Systems, Santos and Bond University.

The A-DB operation will also assist ASG in serving existing Queensland-based clients such as Virgin Blue.

We will now be working with the staff and management of A-DB to fully integrate them into our national network. Further details on the reporting arrangements for A-DB staff will be released next week.

We strongly believe A-DB will deliver an exceptional platform to pursue numerous additional contract opportunities in both Queensland and South Australia, thereby providing a great deal of stability to employment opportunities for all staff.

Attached to this announcement is a Boardroom Radio Link explaining further aspects of the importance of this acquisition for ASG and welcoming A-DB to ASG.

GEOFF LEWIS

Chief Executive Officer
ASG Group Ltd