

TEYS LIMITED

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14 August 2009

Company Announcement Office
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Release of restricted securities

The following securities previously restricted have been released as fully paid ordinary shares –

4,125,000 paid ordinary shares issued to Capital Administration and Services Proprietary Limited;

3,093,750 paid ordinary shares issued to Ian Ross Crooks;

3,093,750 paid ordinary shares issued to Resort Brokers Proprietary Limited; and

2,062,500 paid ordinary shares issued to Theodorus Eduard Ruygrok.

Resolution of disputes with former senior executives

Further to the company's announcement on 3 July 2009 about the resolution of the disputes with former senior executives, the directors are pleased to advise all of the terms and conditions of the settlement have been completed by all parties.

This includes the –

1. rescission of the notices of dismissal;
2. acceptance of letters of resignation tendered by Messrs Ruygrok and Brennan; and

3. exchange and filing of notices of discontinuance and the claims and the cross claim against Mr Ruygrok .

As part of the settlement agreed with Mr Ruygrok, the company has forgiven a loan made to him in early 2008 for \$53,599.

Sargeant litigation discontinued

The company has paid the sum of \$20,000 due to Ms Sargeant pursuant to the litigation settlement announced on 16 July 2009. Ms Sargeant's solicitors have confirmed they will now discontinue the court proceedings.

Yours faithfully



Michael Teys
Chairman and Chief Executive Officer
TEYS Limited