



ECS Limited

ASX – MARKET ANNOUNCEMENT: 31 JANUARY 2003

IN PRINCIPLE FUNDING AGREEMENT

Leading security technology company, ECS Limited, (ASX: ECS) today announced that it had reached an in principle funding agreement with an international technology and infrastructure fund.

Negotiations on final terms and conditions are continuing however a binding working agreement has been signed between the parties, which is subject to completion of due diligence.

Conclusion of the funding agreement will result in an immediate \$US5m line of credit being made available as well as the possibility of a further, substantially larger equity based investment. Any such investment would be subject to compliance with the ASX Listing Rules and Corporations Act.

The Board of ECS met earlier in the week to consider the funding agreement, which has come after months of negotiations and CEO Graeme Green, is returning to Hong Kong to conclude arrangements.

The line of credit will be used to investigate further opportunities to rollout the company's sophisticated security monitoring and access control system technology as well as for general corporate purposes.

Further information, including the identity of the international technology and infrastructure fund, will be announced immediately upon conclusion of negotiations and necessary due diligence.

Further information:

Mr Simon Owen
Company Secretary

Ph: (02) 6241 3311
email: simon.owen@e-control.com.au

ACN 004 240 313

Unit 1 / 52 Hoskins Street MITCHELL ACT 2911
PO Box 608 MITCHELL ACT 2911
admin@e-control.com.au