

ASX Announcement

Debt converted to Equity

Convertible Note exercised at Market Closing price of 4.2 cents per share

As part of ECSI Limited's ongoing Debt and Liability reduction program, the convertible note holder, Realstar Finance exercised his right to convert his Convertible Notes to shares at the closing market price of \$0.042. The total Convertible Note liability was \$250,000 and this converts at 4.2 cents to 5,952,380 Ordinary Shares. Shareholders approved the issue of Convertible Notes in August 2002.

Creditors agree to Share Equity at 4.2cents

The following Creditors of ECSI Limited have today agreed to accept Ordinary Shares in lieu of payment for debts. The Directors of ECSI Limited have authorised the issue of shares under ASX Listing Rule 7.1 (Directors 15% discretion)

Townson Property Corporation	debt \$45,500 converted at \$0.042 to 988,095 Shares
Joe Pace Holdings	debt \$46,200 converted at \$0.042 to 1,100,000 Shares

Robert Lees

Company Secretary