DataDot Technology Limited

ABN 54 901 908 726

Stock Exchange Announcement

11 March, 2009

SALE OF EQUITY INTEREST IN DATADOT TECHNOLOGY SOUTH AFRICA (PROPRIETARY) LIMITED

The Directors of DataDot Technology Limited (ASX:DDT) announce that they have concluded an agreement to progressively transfer DDT's 42.5% equity interest in DataDot Technology South Africa (Proprietary) Limited (DDSA) to the two South African shareholders who manage DDSA.

DDSA will continue to manufacture and distribute DataDotDNA under licence from DDT.

Under the terms of the sale agreement, DDT will receive an immediate cash payment of R2.5 million (A$375,500) in loans and royalties owed to DDT plus progressive cash payments of R2.8 million (A$418,500) over a period not exceeding 18 months. After receipt of the initial payment shares will be progressively purchased and transferred.

Royalty payments under the licence will increase from 5% to 7.5% of the gross value of DataDotDNA sales.

Mr Ben Bootle, Acting CEO of DDT, said that the terms of sale represent a satisfactory settlement to what has been a difficult situation for both companies. "As we reported to shareholders at the last AGM, DDT and DDSA have for some time been in dispute over their respective rights as shareholders of DDSA. By stepping out of our shareholding in DDSA at an agreed price, and by simplifying the relationship between the companies to that of licence provider and licensee, at a re-set royalty rate, those differences have now been resolved equitably without recourse to litigation. Just as importantly, management in both companies will no longer be distracted from the central task of sales and marketing by the demands of dispute management and resolution".

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