ST Synergy
enterprise knowledge management

ST Synergy Ltd
Suite 9, 17 Foley St,
Balcatta WA 6021 Australia
T +61 8 9345 2577 F +61 8 9345 2332
ACN 050 369 046

ST Synergy Ltd
Level 3, 313 Burwood Rd,
Hawthorn VIC 3122 Australia
T +61 03 9810 4546 F +61 03 9819 6856

REF: 111198MN/09H42850/LAT

05 July 2005

Ms Christine Panetta
Australian Stock Exchange Limited
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Ms Panetta

Re: ST Synergy Ltd

In response to your letter dated 4 July 2005 we advise as follows:

1. For the past eighteen months, the company has been negotiating to establish an investment position in PanoramaFlat Limited. The market has been kept informed of this intent and process.

   Negotiations concluded at 5.30 pm today. The appropriate announcement will be released to the market tomorrow morning.

2. Not applicable.

3. The company knows of no reason or explanation for the price change in the securities of the company.

4. The company is in compliance with the listing rules and, in particular, listing rule 3.1

If you have any queries regarding the above, please do not hesitate to contact Len Taylor of our office on 9344 2513.

Yours faithfully

L.A. TAYLOR
COMPANY SECRETARY

ASX
AUSTRALIAN STOCK EXCHANGE

Australian Stock Exchange Limited
ABN 98 008 624 691
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 (08) 9224 0014
Facsimile 61 (08) 9221 2020
Internet http://www.asx.com.au

FAXED

4 July 2005

Mr Leonard Taylor
Company Secretary
ST Synergy Limited
Suite 3, 17 Foley St
BALCATTA WA 6021

By Facsimile: 9345 3886

Dear Sir

ST Synergy Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from $0.80 on 29 June 2005 to $1.26 today.

In light of the price change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

   Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me on facsimile number **(08) 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie **before 7.30 a.m. (W.S.T) on Tuesday, 5 July 2005.**

The response must be in a form suitable for release to the market. If you have any concern about release of a response, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and the guidance note titled "Trading halts" we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours faithfully

CMPanetta

Christine Panetta
<u>Senior Companies Adviser</u>

Direct Line: (08) 9224 0014