ABN 44 009 148 529

registered office
Level 1
Westcentre
1260 Hay Street
West Perth WA 6005
AUSTRALIA

mailing address
Private Box 1288
West Perth WA 6872
AUSTRALIA

telephone - national **08 9415 2212**
- international **+61 8 9415 2212**

facsimile - national **08 9415 2221**
- international **+61 8 9415 2221**

email - info@synergylimited.com
visit us at - www.synergylimited.com

SYNERGY
EQUITIES GROUP LIMITED

18 April 2005

ELS028.2005

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bond Street
SYDNEY NSW 2000

Via Electronic Lodgement

DISPOSAL OF RESIDUAL MINING ASSETS

Synergy Equities Group Limited ("SYNERGY") announces it has entered into a significant transaction to dispose of its residual mining assets at Bullabulling and Tampia Hill in Western Australia to Mr R Morellini and Meridian Mining Limited.

As foreshadowed in the Second Quarter Activities Report for the period ended 31 December 2004 (the ASX announcement of 31 January 2005 refers), the disposal of the mining assets is in line with SYNERGY's corporate transition strategy to become a fully focused technology company.

Having regard to:

- SYNERGY's primary focus on design, development and implementation of information technology and communications solutions for business;
- the high cost of maintenance of the mining tenements whilst they were the subject of legal challenge;
- the protracted nature of the legal disputes arising from plaints over SYNERGY's mining tenements lodged by Mr Morellini (the ASX announcement of 28 November 2001 first refers); and
- the necessity for SYNERGY's management and administration to devote considerable resources to the litigation surrounding the mining tenements,

the Board resolved that it was in the best interests of SYNERGY to dispose of the residual mining tenements at a price that reflected the uncertain nature of SYNERGY's ownership of the tenements due to the plaints.

The essential terms of the transaction involve:

1) an immediate payment to SYNERGY of the sum $150,000;
2) after satisfaction of various conditions, a further payment to SYNERGY of the sum $100,000, being the balance of the settlement sum; and
3) the issue to SYNERGY of shares and options to a value of $250,000 in the capital of Meridian Mining Limited.

The SYNERGY Group can now devote its entire resources to technology – the immediate priorities being the ongoing rollout of Data-**inCrypt**® and sales of the TradeCentre suite of products.

Any queries should be addressed to the writer at:

telephone	**(+61 8) 9415 2212**
facsimile	**(+61 8) 9415 2221**
email	**rmoir@synergylimited.com**

Yours faithfully

Ronald Moir
Managing Director
SYNERGY EQUITIES GROUP LIMITED