



ALLIED TECHNOLOGIES GROUP LIMITED
(ACN 010 597 672)

UPDATE ON SALE OF SUBSIDIARY

On 9 August 2005 it was announced that the Allied board was of the opinion that the market capitalisation of the company substantially undervalues the group's business operations and that, accordingly, Grant Thornton Sydney had been appointed as corporate advisors to invite and evaluate offers for the company's subsidiary, TUSC Computer Systems Pty Limited ("TUSC"). It was also announced on 9 August that, following completion of a sale, it was the board's intention to distribute part or all of any net sale proceeds to Allied shareholders.

Since the date of the announcement the company has received numerous expressions of interest to purchase TUSC, including non-binding indicative written offers from seven interested parties. Two of these parties have subsequently progressed their interest to the due diligence phase.

The company expects to make a further announcement regarding the proposed sale of TUSC towards the end of October 2005.

Allied Technologies Group specialises in the design, integration, implementation and maintenance of communications networks.

11 October 2005