# NIGHTINGALE PARTNERS PTY. LIMITED

ACN 117 659 480

Level 33
2 Park Street
SYDNEY NSW 2000

Telephone: (02) 9283-0808
Facsimile: (02) 9283-2544
email: pdf@nightingale.com.au

22 September 2006

The Directors
Allied Technologies Group Ltd
Level 8, 60 Pitt Street
SYDNEY NSW 2000
Fax: 8259-4151

Company Announcements
Australian Stock Exchange Ltd
20 Bond Street
SYDNEY NSW 2000
Fax: 1-900-999-279

Dear Sirs,

Nightingale Partners Takeover Offer and the Proposed Allied LongReach Merger

We refer to our takeover announcement of 30 August 2006, which indicated that our offer would be subject to the condition that from the date of the announcement Allied and LongReach "do not proceed with a scheme of arrangement merger and that no application is made to any court or meeting is called in respect of that scheme."

At the time of making the announcement, we were unaware that the directors of Allied had on June 6th entered into a binding Implementation Deed with respect to the proposed scheme. The existence of this Deed was only made public after our announcement. Our requests for more information on this Deed have been denied; however, based on the limited information disclosed about it in the LongReach announcement of 6 September, it appears that there is no mechanism available to either the shareholders or the directors of Allied to prevent the transaction from proceeding.

On Monday on application by LongReach the Federal Court considered documentation for the Allied-LongReach merger scheme and ordered a meeting of LongReach shareholders. The above-mentioned condition of the proposed offer cannot now be satisfied. For Nightingale to proceed with an offer containing conditions which are now incapable of being satisfied would be a futile waste of time and money for all concerned, including Allied. This leaves Nightingale no choice but to not proceed with the bid.

We remain strongly of the view that Allied shareholders should have had the same voting rights as LongReach shareholders in determining the implementation of a transaction that so materially affects their investment. We also regret that shareholders will not have a cash alternative to the proposed merger.

Yours sincerely,
Nightingale Partners Pty Ltd

Larry Case
Director