

Zylotech Ltd

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The Listings Officer
The Australian Stock Exchange Ltd.

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Via Fax: 1 300 300 021

Zylotech appoints Portek as Distributor

We are pleased to advise that Zylotech reached agreement with Portek Systems and Equipment Pte Ltd of Singapore, for Portek to distribute Zylotech's surveillance products and solutions within the highly specialised niche market of quayside and mobile crane system development and leasing to Seaport and Terminal operators.

Portek Systems and Equipment Pte Ltd, (of 20 Harbour Drive 06-01 PSA Vista Singapore), commenced business in Singapore in 1988 and is a wholly owned subsidiary of the holding company Portek International Ltd, (listed on the main board of the Singapore stock exchange March 2002), and was one of the first companies in South East Asia to undertake operating leases of sophisticated container handling equipment such as quay cranes and rubber-tyred gantry cranes.

Between 1990 and 2001 Portek group expanded its customer base of port and terminal operators, throughout Asia including China, Korea, Hong Kong, Indochina Malaysia and Indonesia and has more recently successfully embarked on further horizontal expansion in container terminal operations and crane refurbishment, mobilization and modification with contracts in Australasia, UAE and Holland and expect future growth to also come from the oil and gas sectors. (www.portek.com)

Portek initially expressed interest, mid 2002, in Zylotech's IP SmartCam video surveillance solutions because of their ability to allow surveillance cameras to be viewed remotely, in real time, using IP (Internet Protocol) on a variety of network types, in particular wireless and wireless LAN, due to the flexibility needed when integrating video surveillance with mobile crane systems. This interest increased and culminated in a final agreement been reached following Zylotech's recent acquisition of Sonacom Ltd with its acoustic sono-buoy surveillance solutions planned for commercial release in first half of 2003.

Although developing, modernizing, and mobilizing sophisticated cranes and handling systems for port/terminal operators and oil and gas producers is highly specialized and long term, Zylotech believes that these niche markets, in which Portek is considered a leading player, will continue to expand world-wide.

With greatly increasing emphasis being placed on security, by both Governments and commercial organizations, in the area of ocean based and port based infrastructures, assets and operations, especially those involved in cargo handling and oil and gas rig operations, we believe that the market for both the acoustic sono-buoy surveillance and video surveillance solutions Zylotech can supply for integration with the core handling systems, through an experienced port solutions supplier like Portek, will also expand.

Yours Faithfully


Bernard Mc George
CEO & Managing Director

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