

ZICOM AUSTRALIA LIMITED

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ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

FOR IMMEDIATE RELEASE

A meeting of the Board today determined that cost overruns on two engineering projects will result in a loss by the Company for 2002-03. The two projects were substantially completed by year end and there is not expected to be any further exposure to these projects in the succeeding period.

No other engineering projects are being undertaken at this time.

Preliminary indications are that the consolidated loss for the company and group for the year ended 30 June 2003 will be in the region of \$950,000 subject to final assessment of the cost overruns, adequacy of provisions, and also subject to audit.

The Company's core transit mixer business has been, and continues to be profitable.

By order of the Board

I R Millard
Company Secretary

Brisbane, 1 August 2003