Zicom Group Limited ABN 62 009 816 871

38 Goodman Place, Murarrie, Queensland 4172 • Tel: (07) 3908 6088 • Fax: (07) 3390 7962

17 July 2008

Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

Rights Issue to raise $1.95 million

Our Group is pleased to announce a 1 for 20 non-renounceable rights issue to all Australian, New Zealand, Singapore and Hong Kong registered shareholders (**Qualifying Shareholders**) of 9,726,883 shares at $0.20 per share to raise up to $1.95 million for working capital and to take advantage of investment and acquisition opportunities that may arise.

The proceeds from this rights issue are not applied towards the acquisition of the remaining 49% shareholdings in Sys-Mac Automation Engineering Pte Ltd as the acquisition is funded from existing internal resources.

Qualifying Shareholders may apply for shares in addition to their entitlement, up to the amount of any entitlements not accepted and entitlements not offered to non-Qualifying Shareholders (**Shortfall Shares**). The directors reserve the right to issue the Shortfall Shares in their discretion and may issue Shortfall Shares to Qualifying Shareholders including, subject to shareholder approval, the directors (excluding Mr Frank Leong Yee Yew), and other investors.

Timetable

The rights issue will be conducted in accordance with the following timetable:

Lodgement date (Appendix 3B) with ASX	17 July 2008
Lodge section 708AA 'cleansing notice' with ASX	17 July 2008
Despatch letter to option holders	17 July 2008
Despatch letter to shareholders	18 July 2008
Existing shares quoted 'ex' rights	22 July 2008
Record date	28 July 2008
Despatch offer document	31 July 2008
Offer opens	1 August 2008
Closing date	5.00pm 22 August 2008
Deferred settlement trading begins	25 August 2008
Issue and allotment	28 August 2008
Despatch new holding statements to shareholders	1 September 2008
Deferred settlement trading ends	1 September 2008
Normal trading resumes	2 September 2008

Offer document

Zicom will not prepare a prospectus or other disclosure document for the offer as the rights issue will be made under section 708AA of the Corporations Act to all Qualifying Shareholders.

Zicom will prepare and send an offer document to shareholders on 31 July 2008, as set out in the timetable above. Zicom encourages all Qualifying Shareholders to participate in this capital raising.

Trading

There will be deferred settlement trading in respect of the shares to be issued under the offer.

Yours faithfully
Zicom Group Limited,

Giok Lak Sim
Chairman

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Dear Option Holder

Zicom Group Limited - 1:20 pro-rata non-renounceable rights issue

Rights issue

ZGL has recently announced to ASX that it is undertaking a pro-rata non-renounceable rights issue under section 708AA of the Corporations Act to raise up to $1.95 million (before costs of the issue) through the issue of 9,726,883 fully paid ordinary shares at $0.20 each.

The shares issued will rank equally in all respects with the fully paid ordinary shares already on issue.

Option holders

To be eligible to participate in the rights issue option holders with a registered address in Australia, New Zealand, Singapore or Hong Kong must exercise all or part of their options before the record date on Monday 28 July 2008.

As your options have not yet vested and cannot be exercised to participate in the rights issue, this letter is provided to you as a formality under the ASX Listing Rules. You may therefore not be required to take any action on your options at this stage.

Additional information

If you have any queries at this time, please contact our Joint Company Secretaries, Mr Michael Mee (Australia) on +61 7 3908 6088 or Ms Jenny Lim Bee Chun (Singapore) on +65 6861 1388.

Yours faithfully
Zicom Group Limited

Giok Lak Sim
Chairman

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

ZICOM GROUP LIMITED

ABN

62 009 816 871

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	9,726,883
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully paid ordinary shares

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	$0.20
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Working capital and to take advantage of any investment and acquisition opportunities that may arise
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	1 September 2008

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	204,264,545	Fully paid ordinary

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	2,975,000	Employee options

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as fully paid ordinary shares

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1:20
14	+Class of +securities to which the offer relates	Fully paid ordinary
15	+Record date to determine entitlements	28 July 2008
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded to the nearest whole number
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	China, United Kingdom, Indonesia, Japan, Laos, Malaysia and Thailand
19	Closing date for receipt of acceptances or renunciations	22 August 2008

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	31 July 2008
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	17 July 2008
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements *in full* through a broker?	N/A
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	1 September 2008

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: 17 July 2008
Company secretary

Print name: Michael Lawrence Mee

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+ See chapter 19 for defined terms.