



ITL Limited
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www.itl-limited.com

17 December 2010

Dear Shareholder

Important notice – sale of your unmarketable parcel of ITL shares

I am writing to inform you that ITL Limited (ITL) is implementing a share sale facility (the **Sale Facility**) for holders of parcels of ITL ordinary shares valued at less than \$500 (**unmarketable parcels**).

ITL has determined that your holding of ITL shares is valued at less than \$500 and is therefore an unmarketable parcel (based on your shareholding at 7pm on Thursday, 9th December 2010 and the closing price of ITL shares of \$0.045 on the Australian Securities Exchange (**ASX**) on 9th December 2010).

ITL is introducing the Sale Facility to enable holders of unmarketable parcels of ITL shares to sell their shares without incurring brokerage or broker handling costs. It also enables ITL to reduce the costs associated with having a significant number of shareholders with unmarketable parcels on its register.

The Sale Facility is being implemented in accordance with ITL's constitution and the ASX Listing Rules.

What do you need to do now?

If you wish to sell your ITL shares under the Sale Facility you do not need to do anything. Your ITL shares will be sold on your behalf after Thursday 27th January 2011 and the proceeds of the sale will be paid to you in Australian dollars and in accordance with your existing payment instructions in respect of your ITL shareholding. If you are an overseas shareholder, you will be responsible for any costs associated with converting your sale proceeds into your local currency.

If you wish to retain your ITL shares, you must before 5pm AEST on Thursday, 27th January 2011 either:

- complete and return the enclosed Share Retention Form; or
- purchase additional ITL shares so that your shareholding becomes a marketable parcel. For your additional purchase of shares to be an effective notice to ITL that you wish to retain your shares, the additional shares purchased must:
 - be held in the same holding as your current shares (in particular under the same name and address as shown on the Share Retention Form);
 - together with your existing shares, have a market value of more than \$500 (based on the closing price of ITL shares of \$0.045 on ASX on Thursday, 9th December 2010); and
 - be registered by 7 pm AEST on Thursday, 27th January 2011.

If you have a number of shareholdings that you would like to consolidate, please contact the registry on 02 9290 9600 (within Australia) or +61 2 9290 9600 (outside Australia).

What happens next?

Unless you inform ITL that you wish to retain your shares, your shares will be sold on your behalf by ITL after Thursday 27th January 2011. You will not need to appoint a broker and will not pay any brokerage or broker handling costs associated with the sale of your shares under the Sale Facility. ITL will take any action required to sell your shares. Any tax consequences from the sale of your ITL shares will be your responsibility.

Questions?

If you are in any doubt about whether you should participate in the Sale Facility, or if you require information regarding possible taxation implications from participating in the Sale Facility, please consult your legal, financial or taxation adviser.

Further information regarding the Sale Facility is set out in the attachment that accompanies this letter. If you have any further questions regarding the information set out in this letter or the attachment, contact our registry, Registries Limited, on 02 9290 9600 (within Australia) or +61 2 9290 9600 (outside Australia).

Yours sincerely



Bill Mobbs
Executive Chairman

Further information regarding the ITL Sale Facility

1. What is an unmarketable parcel of shares?

An unmarketable parcel is a parcel of ITL ordinary shares valued at less than \$500, based on the closing price of ITL shares on ASX of \$0.045 on Thursday, 9th December 2010.

2. If I wish to sell my shares, what should I do?

If you wish to take advantage of the Sale Facility, you do not need to take any action – your shares will be sold under the Sale Facility as soon as practicable after Thursday, 27th January 2011.

3. If I do not want my shares sold, what should I do?

If you wish to retain your shares you must either:

- complete and return the enclosed Share Retention Form before 5pm AEST on Thursday, 27th January 2011; or
- purchase additional ITL shares so that your shareholding becomes a marketable parcel. For your additional purchase of shares to be an effective notice to ITL that you wish to retain your shares, the additional shares purchased must:
 - be held in the same holding as your current shares (in particular under the same name and address as shown on the Share Retention Form);
 - together with your existing shares, have a market value of more than \$500 (based on the closing price of ITL shares of \$0.045 on ASX on Thursday, 27th December 2010); and
 - be registered by 7 pm AEST on Thursday, 27th January 2011.

If you have a number of shareholdings that you would like to consolidate, please contact the registry on 02 9290 9600 (within Australia) or +61 2 9290 9600 (outside Australia).

4. What happens if I do nothing?

If you do nothing, your shares will be sold under the Sale Facility.

5. How will my shares be sold?

For the purposes of the Sale Facility, ITL will appoint Bridges Financial Services to sell unmarketable parcels of ITL shares on ASX. Shares will be sold under the Sale Facility as soon as reasonably practicable after Thursday, 27th January 2011.

6. How much will I receive for my shares under the Sale Facility?

The price you receive for your shares will be calculated as the volume weighted average price of all ITL shares sold by Bridges Financial Services (the broker) appointed by ITL under the Sale Facility. The sale price will depend on a number of factors, including the prevailing market conditions and the demand for ITL shares at the time of sale.

The closing price of ITL shares on Thursday 9th December 2010, being the date set by the Board for determining unmarketable parcels, was \$0.045. Information on the latest price for ITL shares can be found on the ASX website (www.asx.com.au) under the ASX code "ITD". The market price of ITL shares is subject to change.

While the broker, Bridges Financial Services Pty Limited, appointed by ITL will use its reasonable endeavors to obtain the best price for ITL shares at the time of the sale, no assurance is given as to the price which will be achieved for the sale of your shares.

7. Will I have to pay brokerage or broker handling costs?

No, you will not have to pay brokerage or broker handling costs if your ITL shares are sold under the Sale Facility. ITL will pay these costs on your behalf. If you are an overseas shareholder, you will be responsible for any costs associated with converting your sale proceeds, which will be in Australian dollars, into your local currency.

8. When will I receive the proceeds of the sale?

The sale of ITL shares under the Sale Facility will occur as soon as reasonably practicable after Thursday, 27st January 2011. You will receive the proceeds from the sale of your shares as soon as practicable after all shares being sold under the Sale Facility have been sold.

9. Other matters relating to the Sale Facility to note

The Sale Facility has been established in accordance with the provisions of ITL's constitution and the ASX Listing Rules.



Innovating Technologies for Life

Registries

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registries@registries.com.au

«Name1»
«Name2»
«Name3»
«Name4»
«Name5»
«Name6»

Subregister «SR»

SRN/HIN. «SR_Reference»

Share Retention Form

IMPORTANT: This is an important document and requires your immediate attention. ITL Limited (**Company**) is implementing a sale facility for holders of parcels of the Company's shares valued at less than \$500 (**Sale Facility**). Further details regarding the Sale Facility are set out in the letter to you from the Company date 16 December 2010, which accompanies this form. If you do not want the parcel of shares in the Company referred to below sold under the Sale Facility, you must complete this form and return it so that it is received by the Company's share registry no later than 5.00pm (AEDT) on 27 January 2011. If you are in any doubt as to how to deal with this form, please consult your professional adviser.

A Number of shares held as at Record Date

The number of shares that you held at 7pm AEDT 9 December 2010

«Units»

B Retention of Securities

I/We refer to the letter from the company dated 16 December 2010 and hereby give notice that we would like to retain my/our shares.

C Contact Details (Enter your contact details below)

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	()	()	

D Shareholder Signature

By signing and returning this form, I/we confirm that I/we understand that my/our shares will not be sold under the Sale Facility.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Day

Month

Year

This form must be received by no later than 5.00pm AEDT on 27 January 2011

LODGEMENT INSTRUCTIONS ARE ON THE REVERSE OF THIS FORM

LODGEMENT INSTRUCTIONS

Please read these instructions carefully

- A. This is the number of shares that you held at 7pm AEDT 9 December 2010
- B. If you would like to retain your shares, please mark the box on the front of this form and return it to the Company's share registry in accordance with the lodgement instructions below. If this form is not received by 5.00pm AEDT 27 January 2011, and you have not otherwise validly notified the Company that you wish to retain your shares in time, the Company will be entitled to sell your shares on your behalf. **IF YOU WOULD LIKE TO SELL YOUR SHARES, YOU SHOULD NOT COMPLETE THIS FORM.**
- C. Enter your **contact details** so we may contact you regarding your form.
- D. The form **must** be signed. In the spaces provided you must sign this form as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

Lodgement of this Form

If you wish to retain your shares, this form must be completed and returned to the share registry by no later than 5.00pm AEDT 27 January 2011. If you are returning your form by post, please allow sufficient time for collection and delivery by postal services. The postal rule does not apply and your completed form must be received by no later than 5.00pm AEDT 27 January 2010

Mailing address:

ITL Limited
C/- Registries Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

ITL Limited
C/- Registries Limited
Level 7
207 Kent Street
SYDNEY NSW 2000

Consolidation of shareholdings

If you have more than one holding on the ITL Limited register, you should consider consolidating them. For further information regarding this, please contact Registries Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

Changes of Address Supported by your Signature(s)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHES holders must notify your sponsoring broker for amendments to holdings on the CHES Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
SIGN HERE FOR ADDRESS AMENDMENTS:		

Shareholder 1 (Individual) /
Sole Director & Sole Company Secretary

Joint Shareholder 2 (Individual) /
Director

Joint Shareholder 3 (Individual) /
Director/Company Secretary
(Delete one)

Privacy Statement

Registries Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (http://www.registriesltd.com.au/help/share_privacy.html).