

ITL Limited

Address by Julian Gosse, Chairman at Annual General Meeting 3.00 pm 27 October 2005

A significant restructure, which has laid the foundation for future growth, has been the feature of a difficult year for ITL.

The dual challenge of operating as a newly listed company and the acquisition of a fundamentally larger revenue - lower margin business with different drivers and complexities adversely affected our performance.

Our program of renewal started with a new CFO in July and the realignment of the company under a single CEO / Managing Director in October. A more efficient management structure was introduced which resulted in a number of changes to key staff. We simplified our corporate structure to reduce internal transactions, implemented a new financial management system with centralized databases and unified the company behind a new culture and single direction.

The first half results reflected the internal change and showed an operating loss before tax of just over \$2M (this included approx \$1.95M of redundancy and write offs). Revenue was \$11.1M with an EBITDA of \$551K.

While there were significant staff changes still occurring until the end of the 3rd quarter, the second half results show a strong turn around in performance with revenue \$13.1M, EBITDA

\$2.2M and profit after tax \$1.5M. The company recorded a small operating loss for the full year of \$139K (after positive impact of tax provision of \$654K) with an increase in shareholder equity of \$150K after asset revaluation of \$557K.

I take this opportunity to thank the CEO, management and staff of ITL who have worked so well as a team to turn the group to a profit-making entity in the second half of 2004/05 and the first quarter of 2005/06.

I now invite the CEO, Bill Mobbs, to address the meeting...