



SYFT TECHNOLOGIES ANNOUNCES A \$10 MILLION CAPITAL RAISING

Press release, 1 August 2007, Syft Technologies Ltd, Christchurch, New Zealand: Syft Technologies Ltd (Syft) is to raise new equity of \$10 million to enable the full commercialisation of its ground-breaking technology and to access a range of global markets.

Chairman, Bill Luff, announced today that the capital raising would consist of a two-stage offer to new and existing shareholders by way of a placement to professional investors followed by a non-renounceable rights issue to existing shareholders, including those investors who took part in the placement. All new shares would be issued at the same price.

The first stage, the placement of shares to professional investors, is designed to raise \$7 million. This will take place in August and the price will be set by a book-build process.

The second stage, the non-renounceable rights issue to all shareholders, will take place in September/October and will raise approximately \$3 million. The record date for the non-renounceable rights issue is 7 September 2007.

Mr Luff said under the rights issue, shareholders would be offered one new share for every five existing shares held by them in the Company as at 7 September 2007. Attached to each new share allotted in the rights issue would be one free Option. Each Option would give the holder the right to subscribe for one new share in the Company, at the same price as the shares allotted in the rights issue. The options are exercisable during the month of March 2010.

All shareholders will be able to apply for additional shares, over and above their entitlement under the rights issue.

“Syft is at a very exciting stage with a track record for its Voice100™ technology in place and its second-generation technology, Voice200™, launched in Europe on 18 July. The further miniaturisation of the technology and greater utility should boost growth in multiple global markets,” Mr Luff said.

The capital raised would allow Syft to accelerate its growth initiatives which include:

- Acceleration of its marketing strategies around the world and especially in the important European market;
- Expanding the sales infrastructure to ensure maximum uptake of unique Syft products;
- Continuing research into ways to manufacture smaller, cheaper and more efficient units;
- A particular focus on maximising opportunities in key medical applications, especially in the US.

Salvus Asset Management Limited, an Auckland-based investor, has been appointed Lead Manager for the capital raising and Hamilton Hindin Greene Limited, an NZX Market Participant from Christchurch, will assist Salvus in the marketing and administration of the rights issue.

Syft is an award-winning company, creating unique products with multiple applications. Syft's technology instantly and accurately detects minute amounts of trace gases in the air, including drugs, tobacco, explosives, bacterial infections and numerous others.

Demand for such sophisticated technology comes from many sectors including: medical, security, biosecurity, food processing, petroleum exploration, counter terrorism and border control.

The company has robust patent protection in place around the world and has received significant Government grants over the years, recognising the potential of its technology.

"We have every confidence that we are entering a new era for the Company, one that will begin to capitalise on the enormous potential offered by the Syft technology," Mr Luff said.

About Syft Technologies

Syft Technologies Ltd was formed in 2002 as a hi-tech spin off from the University of Canterbury, New Zealand. Its head office and Research and Development centre is based in Christchurch, New Zealand. Syft Technologies (UK) Ltd based in Daresbury, UK is home to its European Sales and Support Centre.

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