

TINGALPA CAPITAL PTY LTD LAWSUIT DROPPED

The liquidator of Tingalpa Capital Pty Ltd, Brisbane chartered accounting firm Vincents, has formally advised creditors that it will not be pursuing any further legal claims against Australian IT company, eGlobal International Ltd ("EGI").

"This is good news for EGI which will now be able to remove this contingent liability of \$2,050,000 from its balance sheet," said EGI chief executive officer Chris Teoh.

"This is another issue from the past that EGI is pleased to put behind it as we strive to restore shareholder value to company's balance sheet."

EGI purchased the business, assets and undertakings of Tingalpa Capital's business (which EGI later incorporated into Ozecorp Global) in March 2001. This business was subsequently resold to Tingalpa Capital in September 2001.

Legal proceedings brought by Tingalpa Capital claimed damages of \$1,900,000 arising from an alleged breach of contract and claimed a further \$150,000 owing as a final payment to Tingalpa Capital under the business purchase agreement.

Mr Teoh said EGI has defended itself against Tingalpa's claim, which EGI has always maintained was unfounded and baseless. EGI contends that Tingalpa had indeed acted in bad faith with respect to the Ozecorp transaction.

As a result of Tingalpa's actions, EGI launched a counterclaim against Tingalpa Capital for the \$550,000 which was not paid as consideration for the repurchase of Ozecorp Global. Tingalpa Capital subsequently went into liquidation.

Mr Teoh said EGI was now looking into any rights that it might have against the directors of Tingalpa at the time the company went into insolvency to attempt to recover the monies that it is owed by Tingalpa.

ENDS. Media enquiries about eGlobal to Chris Teoh Tel: (03) 9500 2990

About eGlobal International Ltd (EGI)

EGI is an ASX listed company with operations in Australia, US and China. The Australian business has recently changed its trading name to Securix Australia ("Securix") from Citadel Securix.

Securix is a leading supplier of internet and network security products and solutions to the Australian market. Its core business covers security solutions and implementation, consulting and managed security services. Securix also has a enterprise application development and integration business.

Securix has offices in Sydney, Melbourne, Canberra and Brisbane. EGI's China business has offices in 4 cities in China and Hong Kong and is mainly involved in projects involving smartcards and iris biometric technology. The US business is a start up business in insurance identification and verification.

Securix's Australian customers include Optus, Visy Packaging, Xstrata Ltd, Orica Ltd, ANZ Bank, Comindico and a number of State and Federal Government departments.

Visit www.securix.com.au for further information.