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24 December 2004

Acquisition of business of eSat Communications Pty Ltd and Placement

Further to Comdek Ltd (CDS) announcement that it has completed a memorandum of understanding for the acquisition of the business of eSat Communications Pty Ltd (eSat), Comdek advises that a Sale of Business Agreement was entered into on 24 December 2004.

A revised consideration structure has been agreed and is summarized as follows:

1. Consideration

Pursuant to the Sale of Business Agreement and subject to shareholder approval, the consideration to be paid to eSat Communications Pty Ltd or its nominees is:

- (a) The issue of 5,320,000 shares; and
- (b) The issue of 6,703,810 convertible notes at a deemed price of \$0.1664 (16.64 cents) issued in the following tranches:
 - (i) 1,894,286 "A" class convertible notes;
 - (ii) 2,404,762 "B" class convertible notes; and
 - (iii) 2,404,762 "C" class convertible notes ("the Consideration Securities").

The conversion and redemption of some of these convertible notes are subject to minimum customer acquisition targets that have been set to equate the consideration paid with the performance of the business. The B and C class convertible notes only allow redemption/ conversion once customer acquisition targets of 500 customers and 1000 customer are reached by the business. The convertibles notes do not have a right to interest and have a maturity date of 31 January 2008.

2. Conditions Precedent

The Sale of Business Agreement is conditional upon a number of conditions precedent which are considered usual in agreements of this nature including:

- (a) the novation of the eSat HiBIS accreditation to Comdek or the grant of a new HiBIS accreditation to Comdek;
- (b) shareholder approval of the Consideration Securities;
- (c) shareholder approval of a placement of 5,000,000 shares at \$0.12 to eSat or its nominees;
- (d) the appointment of two directors nominated by eSat to the Board of CDS, at the Annual General Meeting.



Placement

The Sale of Business Agreement also contracts eSat or its nominees to subscribe in a placement of 5,000,000 Shares at an issue price of \$0.12 (12 cents) to raise \$600,000 to provide additional working capital with payment at completion date which is set for 31 January 2005.

Marketing Fund

As part of the business to be transferred eSat Communications Pty Ltd arranged for a \$250,000 marketing fund which has been partially used to commence the marketing of the HiBIS products and establish the business over the past 2 months. Upon the completion of the Sale of Business Agreement the remainder of the marketing fund will be transferred to Comdek to assist the continued marketing of the business.

Growth of eSat Business

The eSat business has been trading for some time but only achieved HiBIS accreditation in the last few months. The business began successfully marketing the HiBIS registered products in the last 2 months. Since this time the business has signed up more than 260 new customers as at the date of this Notice.

Completion

The Company will provide an update upon completion of the acquisition. Completion is set for 31 January 2005 following the Annual General Meeting scheduled for 28 January 2005 where shareholder approval will be sought for the issue of the Consideration Securities.

The HiBIS accreditation, that eSat contributes, ensures that Comdek can provide all regional and remote areas access to state-of-the-art equipment and high speed internet connection through a government backed scheme that subsidises that minimises or eliminates the cost of the hardware component to the customer.

Comdek Ltd is a public company specialising in data reticulation through satellite and terrestrial means boasting almost 20 years experience in the Information Technology service industry. The company delivers cost-effective, reliable, advanced satellite voice and data communications to resource companies, regional communities and other remote sites.

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Yours faithfully,
Comdek Ltd

A handwritten signature in blue ink, appearing to read "Haydn Collins".

Haydn Collins
Managing Director