



Tuesday, 21 June 2005

MARKET ANNOUNCEMENT

Update On Share Sale Transactions and Return of Capital to be considered at General Meeting

In the Notice of Meeting and Explanatory Memorandum sent to shareholders earlier this month, the Company advised that it would provide an update prior to the General Meeting on the expected consideration to be received by Sofcom under the share sale transactions contemplated in Resolutions 2 and the value of the Return of Capital (the subject of Resolution 1), based on the 31 May 2005 NTA backings released by BEL, SCB and CXL (expected to the last reported NTA backings to be used for the purposes of settlement calculations on 30 June/1 July 2005). Such information were released recently by CXL, BEL and SCB and the Company is pleased to provide an update as follows:

Sale of BEL Shares

Under the BEL Share Sale Agreements with CXL, the Company will (subject to settlement of such agreements) receive the following estimated consideration from the sale of its BEL shares to CXL:

	BEL Share Sale Agreements	No of BEL shares sold	Value of Consideration ⁽¹⁾	Consideration satisfied by:		
				Cash received	No. CXL shares received	Value of CXL shares ⁽²⁾
(1)	First Tranche					
	BEL Share Sale Agreement	2,100,000	\$946,470	\$575,000	359,151	\$371,470
(2)	Second Tranche					
	BEL Share Sale Agreement	2,300,000	\$1,036,610	\$0	1,002,233	\$1,036,610
	Totals	4,400,000	\$1,983,080	\$575,000	1,361,384	\$1,408,080

(1) Based on BEL's last reported 31 May 2005 NTA (post tax) backing of \$0.4507 per share

(2) Based on CXL's last reported 31 May 2005 NTA (post tax) backing of \$1.0343 per share

Sale of SCB Shares

Under the SCB Option Deed with CXL, the Company will (subject to settlement of that agreement) receive the following estimated consideration from the sale of its SCB shares to CXL:

	No of SCB shares sold	Value of Consideration ⁽¹⁾	Consideration satisfied by:		
			Cash received	No. CXL shares received	Value of CXL shares ⁽²⁾
	3,167,152	\$669,219	\$200,000	453,659	\$469,219

(1) Based on SCB's last reported 31 May 2005 NTA (post tax) backing of \$0.2113 per share

(2) Based on CXL's last reported 31 May 2005 NTA (post tax) backing of \$1.0343 per share

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Combined Sale of BEL and SCB Shares

The estimated consideration to be received by the Company from the combined BEL Share Sale Agreements and the SCB Option Deed (subject to settlement of these agreements) is as follows:

Value of Consideration ⁽¹⁾	Consideration satisfied by:		Value of CXL shares ⁽²⁾
	Cash received	No. CXL shares received	
\$2,652,299	\$775,000	1,815,043	\$1,877,299

(1) Based on BEL and SCB's last reported 31 May 2005 NTA (post tax) backings (as above)

(2) Based on CXL's last reported 31 May 2005 NTA (post tax) backing of \$1.0343 per share

Amount and Source of Return of Capital

The exact number of shares in CXL which each shareholder will receive under the Return of Capital (**ROC**) is unable to be determined until after the SOF and BEL general meetings on 30 June and 1 July respectively and the expected settlement of the agreements immediately thereafter. The \$450,000 cash amount to be distributed to Shareholders is fixed and will not change.

The tables below are illustrative of the value of the Return of Capital based on the NTA (post tax) backings of BEL, SCB and CXL per share as at 31 May 2005 and the market values of CXL and BEL shares as at 20 June 2005.

Shareholders will be entitled to participate in the Return of Capital in the same proportion as their shareholding in the Company as at the record date. For example, if a shareholder has a 1% interest in SOF, it will receive approximately 1% of the cash distribution and 1% of the Company's shareholding in CXL (and potentially BEL).

(1) If Both BEL Share Sale Agreements and the SCB Option Deed Proceeds to Settlement - Distribution of Cash and CXL Shares under the ROC

The total amount of the Return of Capital contemplated in Resolution 1 comprise \$450,000 cash and the in-specie distribution of the Company's shareholding in CXL which will be issued to the Company as a consequence of the transactions contemplated in Resolution 2 (assuming all transactions contemplated in Resolutions 2 proceed to settlement).

By way of illustration, the Return of Capital to shareholders will be approximately as follows:

CXL shares component of ROC	1,815,043
Value of CXL shares at market ⁽¹⁾	\$1,089,026
Cash component of ROC	\$450,000
Total value of ROC	\$1,539,026
ROC value per share	3.45 cents
(The ROC value per share based on the NTA backing of CXL shares ⁽²⁾)	5.21 cents

Illustrative Distribution Schedule

Total SOF Shares Held	% Issued Capital	Cash ROC		CXL Shares Component of ROC	
			No. of CXL Shares	Value of CXL Shares at Market ⁽¹⁾	Value of CXL Shares at NTA Backing ⁽²⁾
1,000,000	2.2402%	\$10,081	40,661	\$24,397	\$42,056
500,000	1.1201%	\$5,040	20,330	\$12,198	\$21,027
100,000	0.2240%	\$1,008	4,066	\$2,440	\$4,205
50,000	0.1120%	\$504	2,033	\$1,220	\$2,103
25,000	0.0560%	\$252	1,016	\$610	\$1,051
10,000	0.0224%	\$101	407	\$244	\$421
5,000	0.0112%	\$50	203	\$122	\$210

(1) Based on CXL's closing price on ASX on 20 June 2005 of \$0.60 per share

(2) Based on CXL's 31 May 2005 NTA (post tax) backing of \$1.0343 per share

The Return of Capital is subject to and conditional upon settlement of the First Tranche BEL Share Swap Agreement and the SCB Option Deed. If settlement of either of these agreements does not occur for any reason, the Return of Capital will not proceed.

(2) If Second Tranche BEL Share Sale Agreement Does Not Proceed to Settlement - Distribution of Cash, CXL and BEL Shares under the ROC

If the Second Tranche BEL Share Sale Agreement fails to settle for any reason and the First Tranche BEL Share Swap Agreement and the SCB Option Deed proceeds to settlement, the Company will undertake an in-specie distribution of 2,300,000 shares in BEL retained by the Company to its shareholders.

The Company will still proceed with the \$450,000 cash ROC and the in-specie distribution of CXL shares issued pursuant to the First Tranche BEL Share Swap Agreement and the SCB Option Deed.

By way of illustration, the Return of Capital to shareholders will be approximately as follows:

CXL shares component of ROC	812,810
Value of CXL shares at market ⁽¹⁾	\$487,686
BEL shares component of ROC	2,300,000
Value of BEL shares at market ⁽²⁾	\$816,500
Cash component of ROC	\$450,000
Total value of ROC	\$1,754,186
ROC value per share	3.93 cents
(The ROC value per share based on the NTA backing of CXL shares ⁽²⁾ and BEL shares ⁽⁴⁾)	5.21 cents)

Illustrative Distribution Schedule

Total SOF Shares Held	Cash ROC		CXL Shares Component of ROC		BEL Shares Component of ROC			
			No. of CXL Shares	Value of CXL Shares at Market ⁽¹⁾	Value of CXL Shares at NTA Backing ⁽³⁾	No. of BEL Shares	Value of BEL Shares at Market ⁽²⁾	Value of BEL Shares at NTA Backing ⁽⁴⁾
1,000,000	\$10,081		18,209	\$10,925	\$18,834	51,525	\$18,291	\$23,222
500,000	\$5,040		9,104	\$5,462	\$9,416	25,762	\$9,146	\$11,611
100,000	\$1,008		1,821	\$1,093	\$1,883	5,152	\$1,829	\$2,322
50,000	\$504		910	\$546	\$941	2,576	\$914	\$1,161
25,000	\$252		455	\$273	\$471	1,288	\$457	\$581
10,000	\$101		182	\$109	\$188	515	\$183	\$232
5,000	\$50		91	\$55	\$94	258	\$92	\$116

- (1) Based on CXL's closing price on ASX on 20 June 2005 of \$0.60 per share
- (2) Based on BEL's closing price on ASX on 20 June 2005 of \$0.35 per share;
- (3) Based on CXL's 31 May 2005 NTA (post tax) backing of \$1.0343 per share;
- (4) Based on BEL's 31 May 2005 NTA (post tax) backing of \$0.4507 per share.

Updated Indicative Timetable

Event	Date
Suspension of SOF on ASX	29 June 2005
SOF General Meeting	10:45 am (Perth time) 30 June 2005
Settlement of the First Tranche BEL Share Sale Agreement and the SCB Option Deed with CXL	30 June 2005 ⁽¹⁾
Settlement of the Second Tranche BEL Share Sale Agreement / BEL general meeting to approve CXL's acquisition of BEL shares the subject of the Second Tranche BEL Share Sale Agreement with SOF	1 July 2005 ⁽²⁾
Record Date for determining entitlements to participate in the Return of Capital	Midnight 8 July 2005
Transfer of CXL (and potentially BEL) shares under the Return of Capital	11 July 2005 *
Despatch of cash component of the Return of Capital and Distribution Statements to Shareholders	13 July 2005 *
Despatch of holding statements to Shareholders in respect of their CXL (and potentially BEL) shareholding distributed in-specie under the Return of Capital	13 July 2005 *

(1) Based upon SOF shareholder approval of Resolutions 1 and 2 at the General Meeting, being the last of the conditions to settlement of such agreements

(2) Based upon SOF shareholder approval of Resolutions 1 and 2 at the General Meeting and upon BEL shareholder approval of resolution 1 at its general meeting, being the last of the conditions to settlement of such agreement

* Indicative dates only, which is subject to change.

The Resolutions

Resolution 1 seeks shareholder approval for the Company to undertake an equal reduction of its share capital to shareholders, being:

- (1) A distribution of \$450,000 cash;
- (2) An in-specie distribution of all of the shares in Central Exchange Limited (**CXL**) to be received by the Company on settlement of the following of transactions with CXL:
 - (i) the Scarborough Equities Limited (**SCB**) Option Deed;
 - (ii) the First Tranche Bentley International Limited (**BEL**) Share Sale Agreement;

and either

- (3) An in-specie distribution of all of the shares in CXL to be received by the Company on settlement of the Second Tranche BEL Share Sale Agreement; or
- (4) If the Second Tranche BEL Share Sale Agreement fails to settle for any reason (including where BEL shareholders fails to approve the transaction) and settlement of both the SCB Option Deed and First Tranche BEL Share Sale Agreement occurs in accordance with their terms, an in-specie distribution of up to 2,300,000 shares in BEL retained by the Company.

Resolution 2 seeks shareholder approval for a series of transactions with CXL:

- (1) The sale to CXL of 3,167,152 SCB shares held by the Company for a consideration per share equal to the last reported NTA (post tax) backing value of SCB per share (the total consideration to be paid by \$200,000 cash and the issue of new CXL shares priced at CXL's last reported NTA (post tax) backing) upon the exercise of CXL's option pursuant to the SCB Option Deed;
- (2) The sale to CXL of 2,100,000 BEL shares held by the Company for a consideration per share equal to the last reported NTA (post tax) backing value of BEL per share (the total consideration to be paid by \$575,000 cash and the issue to the Company of new CXL shares priced at CXL's last reported NTA (post tax) backing) pursuant to the First Tranche BEL Share Sale Agreement;
- (3) The sale to CXL of 2,300,000 BEL shares held by the Company for a consideration per share equal to the last reported NTA (post tax) backing value of BEL per share (the total consideration to be paid by e issue to the Company of new CXL shares priced at CXL's last reported NTA (post tax) backing) pursuant to the Second Tranche BEL Share Sale Agreement.

Resolution 1 and Resolution 2 are interdependent. If Resolution 1 is not approved, Shareholders will not be asked to consider Resolution 2. Further, notwithstanding approval of Resolution 1 the Return of Capital contemplated by that resolution will not proceed if Resolution 2 is not approved.

Further information:

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