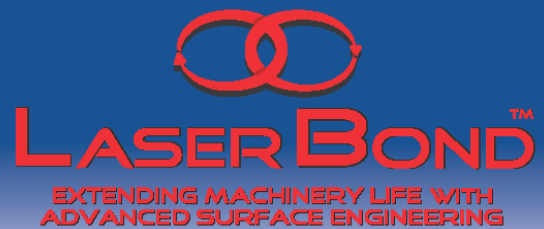


25 August 2008



ASX RELEASE

ACQUISITION BY LASERBOND LIMITED (LBL)

LaserBond Limited has entered into a Heads of Agreement relating to the proposed acquisition of an engineering business in Central Queensland. The acquisition is subject to a number of conditions including the satisfactory completion of financial, legal and commercial due diligence by LaserBond.

The business is well established, with unaudited sales of \$6.9 million and unaudited earnings before interest and tax (EBIT) of \$1.0 million for the year ended 30 June 2008. The purchase price is \$3.0 million subject to certain completion adjustments, payable by \$2.5 million in cash and \$0.5 million in shares (escrowed for 2 years), plus an earn-out over the two years ended 30 June 2009 and 2010. The earn-out consideration is to be priced at 3.5 times EBIT and payable by a mix of cash and shares (escrowed for two years).

Further information will be provided to shareholders by way of announcement once LaserBond has concluded its due diligence investigations and the remaining pre-conditions have been met.

A handwritten signature in cursive script, which appears to read "Tim McCauley".

Tim McCauley
Chairman