

NZSX PRESS RELEASE

24<sup>th</sup> December, 2007

The Directors of Cynotech Holdings Ltd announced that the final allotments for the issue of Convertible Preference shares have been completed, and that all oversubscriptions have been able to be allotted in terms of the resolutions passed regarding the issue of Convertible Preference shares at the Special shareholder meeting on November 26<sup>th</sup>.

Shareholders subscribed for entitlements of 15,953,168 convertible preference shares, and a further 5,831,343 of oversubscriptions, giving a total of 21,790,601 Convertible Preference shares on issue.

Following the allotment of Convertible Preference shares the Bonus issue of Ordinary shares at the ratio of 1:10 on holdings of Ordinary shares and Convertible Preference shares was effected. The total number of Ordinary shares issued under the Bonus issue was 10,380,094 bringing the total number of ordinary shares on issue to 92,393,369

Cynotech Securities qualified to have Bonus Shares issued on the Convertible Notes held, but the Bonus shares have not been allotted at this stage.

Additionally Bonus warrants at the ratio of 1:10 on Ordinary shares and Convertible Preference shares were also issued totalling 10,880,094, bringing the total warrants on issue to 28,173,783 warrants.

FASTER statements are being send to shareholders.

Trading in Convertible Preference shares commences today under the ticker code CYTPA.

- Ends -

N Brett Tawse  
Managing Director  
Cynotech Holdings Ltd  
021 – 966.833