

Disclosure of beginning to have substantial holding  
*Section 22, Securities Markets Act 1988*

To: NZX

And: Cynotech Holdings Ltd

Date this disclosure made: 18<sup>th</sup> March, 2010

**Substantial security holder(s) giving disclosure**

Name(s): Cynotech Securities Group Ltd

Contact details: Steven Grozev, 09 5399999

Date on which substantial security holder(s) began to have substantial holding: 18<sup>th</sup> March, 2010

**Summary of substantial holding to which disclosure relates**

Class of listed voting securities: Convertible preference shares (CYTPA)

Summary for: Cynotech Securities Group Ltd

For this disclosure,—

- (a) total number held in class: 952,874
- (b) total in class: 3,303,224
- (c) total percentage held in class: 28.85%

**Details of relevant interests currently in substantial holding**

Details for: Cynotech Securities Group Ltd

Nature of relevant interest(s): Beneficial holder.

A relevant Agreement document in terms of a Take-over offer and acceptance forms apply, (not attached as per clause 14.)

For that relevant interest,—

- (a) number held in class: 952,874
- (b) percentage held in class: 28.85%
- (c) current registered holder(s) of securities: various and unknown
- (d) registered holder(s) of securities once transfers registered: Cynotech Securities Group Ltd

**Details of transactions and events giving rise to person beginning to have substantial holding**

Details of the transactions or other events requiring disclosure under the instructions to this form: In accordance with the Take-over offer dated 2<sup>nd</sup> February 2010.

**Additional information**

Nature of connection between substantial security holders: Own company (CySec), and a substantial shareholder in Newmarket Securities Ltd, otherwise with other shareholders - nil.

Address(es) of substantial security holder(s): PO Box 41085, Orakei, Auckland 1745

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: Cynotech Securities Ltd, Newmarket Securities Ltd, Philip and Pamela Briggs.

**Declaration**

I, Steven Grozev, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.