

12 August 2008

Company Announcements Office
ASX Limited

New business model brings results for Entellect

- Restructure generates revenues from retail level products

A major restructure of its business operations is reaping rewards for software developer, Entellect Solutions Limited (ESN), as it signs new customers for its retail level product.

After an extended period of research and development, Entellect Solutions (formerly MXL), has restructured its business to provide a renewed focus on its retail level product. This is the version of its eMinerva student management solution that is targeted at both the private and public the higher education sectors. The retail level product will balance and support ESN's core business of delivering enterprise solutions to the schools market.

ESN group chief executive, Joseph (Joe) Younane, said the restructure has seen ESN emerge as a much sharper and more keenly focussed technology company.

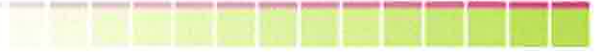
"After employing an independent consultant to assess our technology products and business, the report confirmed Entellect possessed a portfolio of world-class student management solutions. As well as turnkey enterprise software for the large schools market, the portfolio offered excellent potential in the higher education sector particularly among private and other training organisations."

"We've had a fabulous product for some time but inadequate sales and marketing resources. We now have dedicated sales and customer support teams operating a vigorous commercial strategy that is returning results and driving revenue into the business."

"July sales intake exceeded our forecasts and August is also showing signs of further growth, so we believe we are achieving real momentum," he said.

"We are currently working with a significant number of new clients. These include leading educational institutions across Australia such as BIGA, one of Queensland's premier apprenticeship training colleges. BIGA has campuses in Bundaberg and Brisbane and have plans for further growth in 2009."

e NTELLECT SOLUTIONS LTD
Level 2, 261 George St
Sydney NSW 2000
Ph: +61 2 8249 0000
Fax: +61 2 8249 0099
sales@entellectsolutions.com
www.entellectsolutions.com
ABN 41 009 221 783



Joe Younane said Entellect Solutions was a transformed business that was now beginning to deliver against expectations.

“This comes on the back of our recent announcement of the achievement of a major milestone with the Department of Education, Tasmania. Our new management and sales teams combined with the new business model is delivering tangible results,” Mr Younane said.

“It’s amazing the difference a few months can make. We have cut costs dramatically and are now ramping up our sales, which is exactly what our shareholders and partners have been expecting,” he said.

Media enquiries:
Entellect Solutions Limited
Joe Younane or Paul Lowry
Ph: 02 8249 0000

About Entellect Solutions Limited

Entellect Solutions Limited (ASX code: ESN) is a leading provider of online educational business solutions. Its *eMinerva* Student Management System is used in a wide range of public and private educational organisations in Australia and internationally.

Visit www.entellectsolutions.com

Yours Sincerely

Jeff Bennett
Chairman