

4 August 2009

Company Announcements Office
Attn. Suzanna Dabski
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

Dear Ms Dabski

Attached please find details of Entellect Solutions' finalisation of proposed capital raising activity.

Yours sincerely

Jeff Bennett
Chairman

Completion of Capital Raising

The Directors of Entellect Solutions Limited (ESN) are pleased to advise the completion of the capital raising program announced on 23 July 2009. In addition to the \$800,000 previously secured, ESN has now entered into agreements with Sophisticated and Professional Investors (as defined under section 708 of the Corporations Act) regarding share placements to raise a further \$494,000 on the same terms and conditions.

The Company will seek shareholder approval for the purposes of Listing Rule 7.1 at an extraordinary general meeting to issue 123,500,000 fully paid ordinary shares at \$0.004 per share to raise \$494,000 (before issue costs) to complete the placement.

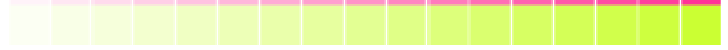
The Company will also seek shareholder approval for the issue of 61,750,000 unlisted options over unissued ordinary shares with an exercise price of \$0.01 and an expiry date of 30 September 2012, to be issued for nil consideration to the Sophisticated and Professional Investors taking part in this placement.

The Company will shortly announce details of the proposed EGM.

The recently highlighted opportunities created by the turnaround of the Company's operations have positioned the Company to bring forward a number of key business growth strategies. Acceleration of these growth strategies has necessitated the current capital raising. The key strategies have been previously announced and include:

- ramping up sales and marketing activities particularly as they relate to the eMinerva and vSTARS in the enterprise market space;
- developing licensing and partnership opportunities outside of Australia particularly in markets with similar legislative and language requirements;
- transitioning the enterprise revenue model from large one-off license fees to the more sustainable Software as a Service model; and
- bringing forward some of its planned product enhancements and developments.

entellect solutions



Entellect Solutions Ltd delivers valuable and innovative software-based offerings to meet the expectations and needs of all stakeholders in the education and related markets. ESN currently has 4 mainstream products for client use –

- *eMinerva- a world class Enterprise Student Management System that enables K-12 educators to manage and report against their students' activities.*
- *vSTARS - a leading edge system which allows all stakeholders to participate in planning, recording and reporting on student academic achievements. It has been designed by Australian educators to encourage best practice in the classroom and foster quality communication between parents, students and educators.*
- *vPublisher- an e-book solution for educators, printers and publishers that allows all groups to quickly and cost effectively deliver solutions to their clients. vPublisher holds unique IP that enables rich content to be embedded into an interactive e-Book.*
- *eMinerva 4.6- A single-site Student Management System that enables educators to have a single point of information for student activity in colleges, higher education providers, corporates and vocational training organizations. The solution is compliant with Australian reporting requirements for local and international students.*

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