

Cypress Lakes Group Limited

ABN 76 003 621 136 (Company)

ASX ANNOUNCEMENT

Renounceable Rights Issue

5 March 2009

Overview

The Company is pleased to announce that it intends to make a renounceable rights issue (**Rights Issue**) on the basis of 20 new ordinary shares for every 1 existing ordinary share held at the Record Date (as defined in the timetable below). The Rights Issue shares will be offered at an issue price of \$0.005 per ordinary share (**Issue Price**).

The maximum number of shares which may be issued under the Rights Issue is 1,293,630,820. If all the entitlements (**Entitlements**) to eligible shareholders are taken up, then the Company will raise approximately \$6,460,000 (before expenses of the offer).

The Company intends to apply funds raised from the Rights Issue towards its working capital.

The offer under the Rights Issue is not underwritten.

The two largest shareholders in the Company are Lasseters CLG Pty Ltd ACN 115 336 028 (**Lasseters CLG**) which has a shareholding of approximately 51.95% and Amoy Canning Corporation (Malaya) BHD and its related and associated parties (**Amoy**) which has a shareholding of approximately 33.42%. Due to their significant shareholding, the taking up of all or part of the Entitlements by one or both of Lasseters CLG and Amoy may have an impact on the control of the Company.

Timetable for Rights Issue

The proposed timetable for the Rights Issue (**Timetable**) is as follows:

Activity	Date
Announcement of Rights Issue Lodge Appendix 3B with ASX Lodge cleansing notice with ASX	Before market open on Thursday 5 March 2009
Despatch of notices to Shareholders informing them of Rights Issue	Friday 6 March 2009
Shares trade on an 'ex' Entitlement basis Rights trading commences	Tuesday 10 March 2009
Record Date for Entitlement to participate in the Rights Issue (Record Date)	Monday 16 March 2009 (7.00pm Sydney time)
Lodgement of Offer Document with ASX	Wednesday 18 March 2009
Offer Document and Entitlement and Acceptance Form despatched to Shareholders. Confirm despatch to ASX.	Wednesday 18 March 2009
Opening Date	Wednesday 18 March 2009
Rights trading ends	Wednesday 25 March 2009
Shares quoted on a deferred settlement basis	Thursday 26 March 2009

Activity	Date
Closing Date for Receipt of Entitlement and Acceptance Form (Closing Date)	Wednesday 1 April 2009 (5.00pm Sydney time)
ASX notified of undersubscriptions	Thursday 2 April 2009
Shares are allotted and issued Confirm information in Appendix 3B to ASX	Thursday 2 April 2009
Holding Statements are despatched Deferred settlement trading ends	by noon (Sydney time) Friday 3 April 2009
Normal ASX trading for New Shares commences	Monday 6 April 2009

The dates above are indicative only and subject to the Listing Rules and the Corporations Act, the Company reserves the right to change any date, including to extend the closing date or to close the offer early without prior notice.

Eligible Shareholders

The Rights Issue is available to all shareholders of the Company with a registered address in Australia, New Zealand and Singapore on the Record Date and to those shareholders on the Record Date with a registered address in Malaysia to whom an offer would be an excluded offer under section 229 of the Capital Markets and Services Act 2007 (Malaysia) by operation of item 9 of Schedule 6 of the Act (**Eligible Shareholders**).¹

The Company will appoint a nominee to arrange for the sale of Non-Eligible Shareholders' Entitlements and send any net proceeds of the sale to the Non-Eligible Shareholders.

Rights Issue shares

The Rights Issue shares, once issued, will rank equally with the existing ordinary shares in the Company.

Shareholder approval

Shareholder approval is not required in relation to the Rights Issue.

Further terms of the Rights Issue and the offer document

A notice under section 708AA(2)(f) of the Act will be lodged with ASX today. The offer document will be lodged with ASX and sent to shareholders on 18 March 2009.

Yours faithfully

Cypress Lakes Group Limited

Basil Jong
Company Secretary
5 March 2009

¹ Section 229 and item 9 of Schedule 6 of the Capital Markets and Services Act 2007 (Malaysia) provides that the following is an excluded offer under that Act - an offer or invitation made to a person who acquires securities pursuant to an offer, as principal, if the aggregate consideration for the acquisition is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise.