

TO: AUSTRALIAN SECURITIES EXCHANGE LTD ("ASX")

FROM: STRATHFIELD GROUP LIMITED (Administrators Appointed)
(ASX:SRA)

DATE: 18 OCTOBER, 2011

SUBJECT: Company Restructure Commences & Board Appoints Administrators

The Board of Strathfield Group Limited ("Strathfield") wishes to advise that since the release to the market on 3 October, 2011 of its intention to Restructure the Company, the Board has been in earnest negotiations, meetings and correspondence with its largest supplier and its secured creditor about the proposed restructure, in order to ensure their support and in particular maintain the continuity of supply of telephony products and services.

The Board has also been in discussions with two potential investors who had approached the Company about participating in recapitalisation of the Company following any restructure.

Following those discussions and negotiations the Board resolved at 7.00 PM on Monday, 17 October, 2011, to place the Company into Voluntary Administration and appointed Mr Andrew Wily and David Hurst of Armstrong Wily, Chartered Accountants, as external administrators.

The Board is pleased to advise that an entity associated with the Company's secured creditor has agreed to provide funding and to indemnify the administrators against the cost of the administration and any trading shortfall with a view to supporting a Deed of Company Arrangement in due course. The Board is hopeful that the administration process will only continue for a short period of time during which, subject to the continuity of supply of products and services, normal trading operations will continue.

The Board, via the administrators, will keep the market abreast of progress over the coming weeks.

By Order of the Board & Consent of the Administrators

Strathfield Group Limited

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