

23 April 2008

Qconnectis plc
(AIM: QTI)

Placing, issue of options and further issue of shares

The Board of Qconnectis plc ("Qconnectis" or "the Company"), the data monitoring service provider for utilities and users of energy and water, is pleased to announce that the Company has placed, subject to certain conditions, 125,000,000 new ordinary shares ("Ordinary Shares") of 1p each (the "Placing Shares") at a price of 1p per share (the "Placing") with certain institutional and other investors.

The Placing, which was arranged by FinnCap, will raise gross proceeds of £1,250,000 to provide capital for expansion and working capital for the Qconnectis business. Application will be made to the London Stock Exchange for the new Ordinary Shares, which will rank pari passu with the existing issued Ordinary Shares, to be admitted to trading on AIM and it is expected that 75,000,000 of the Placing Shares will be admitted on 28 April 2008 ("First Admission") and that the balance of 50,000,000 Placing Shares will be admitted on 6 May 2008.

The Board of the Company has also granted FinnCap an option to subscribe for on an aggregate of 7,372,160 new ordinary shares at 1p per ordinary share (representing approximately 2% of the Company's enlarged issued ordinary share capital immediately following the Placing but before the issue of the Security Change Shares as defined below). The option may be exercised (in whole or in part) at any time from the first anniversary of First Admission and the fifth anniversary thereof.

The Board also announces that, following discussions between the Company and Security Change Limited ("Security Change"), the Company intends to issue a further 25,000,000 new Ordinary Shares (the "Security Change Shares") to or at the direction of Security Change by way of capitalisation of amounts which Security Change claim are due to it under the convertible loan issued by the Company to Security Change. Upon receipt of signed documents, the issue of the Security Change Shares will constitute final settlement of the Company's obligations under the convertible loan. Application will then be made to the London Stock Exchange for the Security Change Shares, which will rank pari passu with the existing Ordinary Shares in issue, to be admitted to trading on AIM.

Following the issue of the Placing Shares and the Security Change Shares, the total number of Ordinary Shares in issue will be 393,608,023.

For further information, please contact:

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Editors' note - About Qconnectis

Qconnectis' patented technologies enable the analysis of remote meter data to facilitate water leakage control, customer profiling, and energy and water management efficiency. Its products are already being used by a wide range of UK and overseas utilities as well as large commercial and domestic users of energy or water.

Leakfrog, developed with Thames Water, is a product which provides leakage detection and monitoring aimed at volume installations in homes. The iStaq family of products work by sending meter readings to Qconnectis' secure data centre via SMS text messaging over the GSM network. The data is then aggregated and published online via utility-branded 'myMeter' websites operated by Qconnectis. The data can also be sent directly to utilities' billings systems. Customers can access real-time information via a web browser using the 'myMeter' service.

For more information, please visit www.qconnectis.com.

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