



INTERMOCO
MONITORING AND CONTROL



19 February 2009

Letter to shareholders

Dear shareholder,

I am writing to let you know that we have recently appointed Mr Bob Gestro as Chief Executive Officer of Intermoco Limited following the resignation of Mr Jeffrey Robertson.

Jeff left the business on February 6th having made a valuable contribution during the difficult reconstruction phase the business has undertaken since May 2008. The board is extremely pleased that Bob has accepted the challenge to complete that reconstruction and capitalise on the significant business opportunities offered by the new Utiligy business infrastructure.

Bob has 25 years experience in energy and water management and prior to accepting the position of CEO with Intermoco, was Managing Director of Australian Metering Company ('Ausmeter') since 2001. Ausmeter, which was acquired by Intermoco in 2007, now operates as Utiligy Gas and provides energy and water management solutions to major Australian water and gas utilities.

You should be aware that Bob is a significant shareholder owning 8.5% of the company.

Please be comforted in the fact that the change of leadership will only reinforce the board's and management's commitment to the previously advised company strategy of building a fully integrated energy and water management company. Bob will be focussed on delivering our unique energy and water management solutions and thereby creating real long term value for our shareholders

Your company is the non-utility, market leader in managing and billing the supply of electricity, gas, water (hot and cold) to large commercial and private embedded networks. We augment this strength with the supply of world leading metering and communication products. These, when deployed, are connected to our purpose built billing and energy management data infrastructure.

We also supply important, "In Circuit", energy reduction technologies such as our "Flourosave" and "Eco-Bulb" lighting products.

Like all businesses in these challenging times, we need to manage our costs as well as grow our revenues. Achieving and sustaining positive cash flow is a key objective. In recognition of this, Bob has taken the decision to reduce the workforce of our business by 20% since his appointment. These necessary changes have been made and we are now confident that the business is well sized to meet the challenges and growth opportunities ahead.

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The business is currently negotiating a number of significant business opportunities which may require additional capital to fund. Should this become necessary your board will communicate that need in an appropriate manner.

Bob has indicated to me that his immediate priorities in taking control are: to ensure that any opportunity that was available to the business prior to his appointment is captured; that expenses in the business are bought more firmly under control and that the Utiligy frame work is properly resourced and presented so as to ensure it is a supplier of choice to customers seeking to properly manage and administer their consumption of energy and water.

I am extremely pleased to be able to announce Bob's appointment and he has the unanimous support of the board and major shareholders. I ask you all to join with me in welcoming Bob to his new position and wishing him success in his new role.

Yours sincerely,

D.W. Ferguson
Chairman

About Intermoco Limited Intermoco is an Australian public company listed on the Australian Stock Exchange (Code: INT) based in Melbourne. The company is a leader in the provision of remote monitoring and control technology solutions through its Utiligy brand. Utiligy provides a world class end-to-end internet enabled energy metering and resource management solution to utilities, corporations, local councils and government departments to help them monitor, manage and minimise their consumption of electricity, gas and water. The Utiligy application has been successfully deployed in all major states in Australia and in Malaysia, Thailand, New Zealand and Hong Kong. For more information please visit the Company's website at www.utiligy.com.au.

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