

Capital raising and repayment of convertible note

MELBOURNE 10 January 2011. Utilities management provider, Intermoco Limited (ASX: INT), today announced capital raising initiatives to redeem the Convertible Notes held by Belgravia Strategic Equities Pty Ltd (**Belgravia**).

Placement and repayment

Intermoco issued Belgravia with Convertible Notes to the value of \$2,100,000 redeemable on 10 January 2011. Intermoco has redeemed part of the Convertible Notes to the value of \$1.1m. The balance will be repaid in the near future in conjunction with a further capital raising discussed below. In order to partly redeem the Convertible Notes, Intermoco has agreed to place 290m ordinary shares at 0.5c per share to raise \$1.45m. The placement shares will be issued over the next few days and all placement funds are expected to be received by Thursday 13 January 2011.

Funds under the placement were raised from a variety of sources, including the major shareholder Stephen Copulos from the Copulos Group and Bell Potter Securities Limited.

Rights issue

In order to fund redemption of the balance of the Convertible Notes, and to give all shareholders the ability to participate in the capital raising, Intermoco intends to conduct a rights issue to raise \$1.1m at 0.5c per share. Full details concerning the rights issue, including record date and entitlement ratio, will be released as soon as practicable.

Trading update

The Company refers to the presentation given to the 2010 AGM released to the market on 29 November 2010. In particular, that presentation included two opportunities located in Tasmania and the Gold Coast with estimated revenues over a 5 year period of respectively \$15.5m and \$13.5m. Negotiations concerning those opportunities are ongoing, and the Company remains confident it will succeed in finalising them, albeit noting at this time no final decisions have been made and no contracts have been entered into.

The Company's pipeline identified at the AGM continues to grow and other opportunities are also being pursued. The Company will announce any further material opportunity as soon as there is sufficient certainty to do so.

-ENDS-



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About Intermoco Limited

Intermoco is an Australian public company listed on the Australian Stock Exchange (ASX: INT) based in Melbourne. The company is a leading provider of water, energy voice and data management solutions with a focus on the provision of embedded networks. Intermoco (under the former Utiligy brand) 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.

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