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Strathmore Raises \$6 Million from NZ Funds

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Press Release:

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Auckland – Thursday 24 February, 2000 – Technology investment company, Strathmore Group Limited (NZSE: SMR), today announced that it has agreed to place 13.3 million shares at 45¢ per share with NZ Funds. With this investment, Strathmore introduces a substantial institutional investor holding with well in excess of 5% of the total shares on issue.

NZ Funds is one of the region's leading investment managers, managing in excess of NZ\$1 billion in New Zealand on behalf of clients.

“On the strength of Strathmore's performance to date, its investment model and deal flow, NZ Funds has elected to take a long-term position in the stock,” says NZ Funds Michael Lang. “As a result of Strathmore's first round of investments, we are confident of the company's long-term growth prospects. Our view is that the stock has matured to a point where it now has a place in institutional portfolios.”

Coupled with this placement, Strathmore has introduced two Australian institutions who have also taken positions and further New Zealand retail support from professional investors raising an additional \$1.8 million, representing approximately 4.1 million shares. The placement was organised by, JB Were and Co.

With this capital raising, Strathmore's funds available for investment are currently approximately \$11 million.

“This placement will enable Strathmore to continue its accelerated investment programme, evaluating and meeting the funding requirements of the significant flow of quality deals presented to us,” says Chairman Phil Norman. “We welcome growing NZ Funds' substantial interest in Strathmore: it constitutes the institutional investors' acceptance of our business model and ability to deliver substantial shareholder value.”

About Strathmore Group Limited

Strathmore Group Limited is a technology investment company. It targets Internet, e-commerce and information technology companies with potential to deliver accelerated growth in shareholder value by competing in global markets. It provides finance, strategic advice and a network of relationships to assist technology companies to migrate internationally. It also manages a high-tech incubator fund that enables smaller companies to grow to the point where they are ready for such a migration.

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