

INVESTMENT RESEARCH GROUP LIMITED

Further Announcement re filing of accounts and bank covenants

The Company's accounts for the year ended 31 March 2009 were due to be filed with NZX by Friday 31 July 2009.

Accounts have been prepared and their audit has been substantially completed. However, a few outstanding matters remain to be clarified. The audit of the accounts is expected to be completed and the accounts filed with NZX by the end of this week, or early next week.

The latest accounts have, following discussions with the Company's auditors, also been discussed with the Company's bankers. The Company's bankers have advised the Company that in terms of these accounts the Company is in breach of its banking covenants in respect of shareholders funds and interest cover for the year ended 31 March 2009.

The Company acknowledges this situation which has arisen in large part due to write-downs for the year ended 31 March 2009. Since balance date, the Company has raised additional capital and sold assets. The Company requires approximately \$500,000 of additional capital to remedy the breach of its shareholders funds covenant, and is trading profitably and is not in breach of its interest cover ratio in respect of the current financial year. The Company is actively reviewing options for raising the additional capital that is required.

The Company has been advised by its bankers that they do not propose to take action at this time having regard for the fact that Company representatives have entered into negotiations with the bank.

The bank has also asked the Company to submit proposals by 10 August 2009 and the Company intends having further discussions with the bank with a view to making proposals to it by 10 August 2009.

Further information

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