

**ACCESS INTELLIGENCE PLC**

(Range of companies providing information, advice and services to small and medium sized businesses and the public sector)

**ACQUISITION OF DUE NORTH**

Access Intelligence Plc (“Access” or “Company”) is pleased to announce the acquisition of Due North Limited (“Due North”), a developer and provider of e-commerce solutions, primarily to the public sector and emergency services. The range of products includes an e-tendering module combined with an e-auction module. Due North reported turnover of £695,000 and unaudited operating profits of £213,000 for the 9 months to 31 May 2005.

The initial consideration for Due North is £1.5m, of which £1m has been paid in cash and £500,000 has been satisfied by the issue of 4,686,034 new ordinary shares in Access Intelligence at 10.67p per share. As at 5 July 2005, Due North had £160,000 of net assets, including net cash balances of £100,000. Additional consideration will be payable dependent upon the results of Due North for the 2 years ending 30 November 2007. Deferred consideration of up to £600,000 will be paid for the year ending 30 November 2006 conditional upon operating profits exceeding £350,000 and further deferred consideration of up to £750,000 will be payable conditional upon operating profits in the year ending 30 November 2007 exceeding £450,000. The deferred consideration will be satisfied by the issue of ordinary shares in Access Intelligence, although, the vendors of Due North may instead elect to receive up to 20% of the deferred consideration in cash. We believe the structure of the deal provides an excellent incentive for the management of Due North to exploit the current market for e-commerce solutions in the public sector and build up a significant recurring revenue income stream for the Access Intelligence group.

In a relatively short space of time, Due North has established itself as a leader in its field and it is well positioned to gain market share as the public sector implements an e-commerce strategy. Currently over 40% of police authorities subscribe to the service. Additionally over 7% of local authorities and 11% of fire brigades subscribe. The company is in discussions with over 100 local authorities plus companies in the private sector. Wired Gov will work closely with Due North to assist increased penetration within the Government sector.

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## **Background Note:**

Following the acquisition of Due North, Access Intelligence has five operating subsidiaries:

- \* The Marketing Guild, based in York, which provides marketing advice and support to small and medium sized businesses. This is in the form of newsletters, consultancy, lead generation and member's services.
- \* Wired Gov, based in Stockport, provides an online information service delivering press releases from over 100 government and public sector bodies. Subscribers can customise the service specifying the agency or topic they require.
- \* Backup and Running, based in York, provides an online data storage and disaster recovery service, which the client can customize to their own requirements. The service offers significant advantages over other alternative systems in that it backs up automatically and can provide a complete backup history for at least three years.
- \* Willow Starcom (Ridgeway Technologies), based in Chorley, provides specialist IT services across a broad range of market sectors that include data storage, backup and recovery, network design support and consultancy and hardware and software maintenance support services. It has growing recurring revenues from these activities of over £1million per annum.
- \* Due North, based in Newcastle-Upon-Tyne, is a developer and provider of e-commerce solutions, primarily to the public sector and emergency services. The range of products include an e-tendering module combined with an e-auction module.