

FOR IMMEDIATE RELEASE

24 June 2010



**Eatonfield Group plc
("Eatonfield", "the Group" or "the Company")**

Issue of Equity

The board of Eatonfield announces that it has raised £0.3 million through the placing of 30,000,000 new ordinary shares of one penny each ("Ordinary Shares") at a price of one penny per Ordinary Share. 14,200,000 Ordinary Shares have been placed by Optiva Securities Limited (formerly Orbis Equity Partners Limited), the Company's joint broker, with a range of existing and new shareholders. In addition:

- 15,000,000 Ordinary Shares have been placed with Jason Lloyd, son of Rob Lloyd, the Company's Chief Executive. On admission of the new Ordinary Shares ("Admission") to trading on the AIM Market ("AIM") of London Stock Exchange plc, Jason Lloyd's beneficial interest will be in 15,400,000 Ordinary Shares, representing 4.36% of the Company's enlarged issued share capital.
- 800,000 Ordinary Shares have been placed with Duncan Syers, the Company's Finance Director, through his self-invested pension plan. On Admission, Mr Syers' beneficial interest will be in 800,000 Ordinary Shares, representing 0.23% of the Company's enlarged issued share capital.

As part of the arrangements for the Placing, the Company has issued placees with, in aggregate, 15,000,000 warrants ("the Warrants") to subscribe for Ordinary Shares. Each Warrant carries subscription rights over one Ordinary Share at a price of one penny per share. The Warrants can be exercised at any time up to three years from Admission.

The placing, whose completion remains conditional on admission of the new Ordinary Shares to trading has been carried out within the Company's existing authorities to allot Ordinary Shares, as approved by shareholders at a general meeting of the Company held on 28 May 2010.

The directors expect that the net proceeds of the placing, together with the other financial resources available to Eatonfield, will provide the Company with sufficient working capital funding through to mid-September 2010. The directors continue to seek further funding and have confidence that additional funding will be made available to the Group and will provide an update at the appropriate time. As previously notified, the provision of such further funding remains dependent on the arrangement of a "standstill agreement" with all of Eatonfield's banks.

Separately, the directors announce that the Company has today issued 602,150 new Ordinary Shares at the closing middle market price on 30 April 2010 of 2.325 pence per Ordinary Share as part of an arrangement for the settlement of a trade debt.

Application will be made for Admission of the new Ordinary Shares. It is expected that Admission will become effective and that dealings will commence in the new Ordinary Shares at 8.00 a.m. on 30 June 2010. On Admission of the new Ordinary Shares, the Company will have 352,836,925 Ordinary Shares in issue with voting rights.

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