

BLAZE INTERNATIONAL LIMITED

ACN 074 728 019

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ANNOUNCEMENT TO AUSTRALIAN STOCK EXCHANGE

BLAZE ACHIEVES PIXe COMMERCIALISATION MILESTONES

Industry First Compression Standards Achieved

Blaze International Limited ("Blaze") is pleased to announce that its PIXe compression technology has achieved an image compression ratio of 320:1 using Motion JPEG as a secondary compression software ("Codec"), and has demonstrated the ability to stream video footage using the PIXe Codec. These levels of compression could, for example, allow a mobile telephone subscriber to view broadcast quality video on a normal mobile phone handset.

The Directors are confident that with further development PIXe could become an essential component in the delivery of moving images to remote devices in real time with full screen resolution.

To determine the market segment that would adopt and exploit the technology, the Company engaged Ovum (www.ovum.com), a UK based telecommunications and software consultancy that advises information technology companies worldwide on the commercial impact of technology and market changes in telecoms, software and IT services.

The key recommendation of the Ovum report was that PIXe is most likely to attract the attention of key players in the wireless delivery of moving images to remote devices (mobile telephones, PDA's, etc.).

Blaze has identified major industry players in the USA and Europe with interests in wireless communications that could benefit from the PIXe technology as well as content providers such as media networks and ISP's. The Company will now seek to establish working relationships with selected industry players.

The new world of wireless communication will be the streaming of live video and as such the Company is well placed to participate. The Board is continuing to manage the path to commercialisation and looks forward to reporting further developments as they occur.



Peter Bartleet
Chairman

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