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Media Release/ASX Announcement

PIPE Founders Win Entrepreneur Award

At a ceremony held last night, the founding directors of **PIPE Networks Limited (ASX:PWK)**, Bevan Slattery and Steve Baxter were recognised as the “Young Entrepreneurs of the Year” in the Northern Region finals of the Ernst & Young Entrepreneur of the Year awards.

Messrs Slattery and Baxter were awarded the title for their efforts in building PIPE Networks over the past four years. PIPE Networks is a high-growth telecommunications network infrastructure provider that has delivered consistent profit increases in each year of operations from a growing annuity-style revenue base.

The awards celebrate Australia’s finest entrepreneurs for their strong sense of what is possible; their extraordinary work ethic; their great passion and enthusiasm; and ultimately their role as the true drivers of Australia’s economy. As the first and only truly global award of its kind, it positions recipients as world-class entrepreneurs and provides a benchmark for entrepreneurial excellence.

In accepting the award, Mr Slattery, CEO, praised support from family and employees over the last few years. “A large part of PIPE’s success is doing things differently, and while I consider myself the 10% inspiration and Steve the 90% perspiration in founding the company, critical to the ongoing growth and success of the Company has been to encourage our staff to contribute new ideas and for us to listen and incorporate those ideas”.

Mr Baxter, Technical Director, praised the delivery teams at PIPE for their efforts in rolling out what is fast becoming the country’s third largest metro based fibre optic network. Mr Baxter highlighted the importance of setting goals and concentrating on delivery of promises, saying “we have always focussed on setting high goals and then getting down to delivering. I must thank the team at PIPE for exceeding all that we could reasonably expect of them.”

PIPE’s Chairman, Mr Roger Clarke, congratulated Messrs Slattery and Baxter on behalf of the board of Directors and staff. Mr Clarke praised the entrepreneurial spirit, drive and energy that have built the company from only an idea to a profitable and growing ASX listed company in only four years. “Bevan and Steve are worthy recipients and this is yet more recognition for the hard work and unique business skills that have created an award winning Company,” Mr Clarke said.

As a result of the Young Entrepreneur Award, Messrs Slattery and Baxter will now be nominated for the national awards for Ernst & Young’s Entrepreneur of the Year.

In addition to the Young Entrepreneur Award received by the Company's founders, PIPE Networks has been recognised with the following awards in the past 18 months:

- 2006 "Carrier of the Year" Australian Telecommunications User Group Awards
- 2005 "Best Communication Solution – Large Business" Australian Telecommunications User Group Awards
- 7th Fastest Growing IC &T Company in Australia – Deloitte's Fast 50 2006 (and the only profitable company in the top 10)
- 2nd most successful IPO of 2005 – share grown of 440% (ASX:PWK)

PIPE Networks continues to experience rapid growth in our award winning Dark Fibre service, driven by the up-take of next generation services. PIPE Networks has won over \$50 million in contracts last financial year, with most contracts being on a 3-5 year basis.

The Company has recorded consistent growth in net profit after tax, averaging in excess of 100% for each full year of operations.

The sustainability of its growth and the success of the Company's Dark Fibre service is underscored by recent research from Market Clarity as reported in leading industry publication Communications Day. This research points to growth in Dark Fibre service revenues of 165% over the next few years, with Ethernet and IP revenues also growing strongly. PIPE Networks is well positioned to capitalise on this expected growth.

PIPE Networks will continue to review a number of compelling opportunities that are available, or may become available, potentially leading to further expansion of product offerings or acceleration of revenue growth from its existing infrastructure.

About PIPE Networks

PIPE Networks is a public listed company (ASX: PWK), headquartered in Brisbane, with branch offices in Sydney, Melbourne, Adelaide and Hobart.

PIPE Networks provides network infrastructure services for Australian clients, and has three lines of business: The Company operates the nation's largest Internet Exchange, with a network across six capital cities serving some of Australia's largest content and internet service providers. PIPE Networks also builds and operates one of Australia's largest metropolitan fibre optic networks, offering clients in Sydney, Brisbane, Melbourne, Adelaide and Perth access to the company's "Dark Fibre" service.

In addition, PIPE Network clients trust in the company's ability to provide secure sites for their IT equipment, giving them more options for primary, backup or disaster recovery sites. As a young, agile company, PIPE Networks is able to foresee and quickly respond to client needs.

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