



MEDIA/ASX RELEASE

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PPC-1 Update #1*

PPC-1 (formerly "Project Runway") is our vision to rapidly improve Australia's international communications transmission capacity and transform the economics of the local internet and telecommunications markets. The project involves the construction of a new submarine cable linking Sydney to the key international telecommunications interconnection hub at Guam.

PIPE Networks Limited (ASX:PWK) has today announced it has submitted required permit requests in relevant jurisdictions in which the PPC-1 undersea cable will operate. Successful approval of these permits is a critical element of the project and allows the cable to be landed, protected and operated within the jurisdictions.

Permits and applications lodged include

- Australia – ACMA Protection Zone and Non-Protection Zone permits (cable landing licence)
- United States FCC operator licence application
- Guam Local environmental/engineering consultants retained to conduct local permitting works (cable landing licence) to conform with requirements of the US Army Corps of Engineers (USACE) and Guam Coastal Management Program

In addition to licencing and permits, the Cable Station site has been purchased in Cromer (Sydney), Australia. Due to customer commitments, planning and construction of the facility has been brought forward and is expected to be completed by the end of June 2008. This is a full year ahead of completion of the system, however customers are already planning to build network infrastructure in readiness of the PPC-1 system.

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For more information: Bevan Slattery
CEO & Managing Director
T: 07 3233 9800
media@pipenetworks.com

***This update is to provide information on the progress of the Company's undersea cable project. In accordance with our continuous disclosure obligations, we will release further updates as information becomes available that can be released to the market.**