

28 April 2008

***CAPITAL RAISED FOR INTERNATIONAL PROJECTS***

**PIPE Networks Limited (ASX:PWK)** announced today that it had raised \$26 Million by way of placement of 6.5 Million ordinary shares in the Company at \$4.00 per share to institutional and sophisticated investor clients of ABN AMRO Morgans Corporate Limited, Wilson HTM Corporate Finance Limited and Orbit Capital. This placement represents 14.6% of current shares on issue and settlement of the will occur on Thursday, 1 May 2008.

The capital raising will provide equity funding for the capital expenditure requirements of key projects including the Company's submarine cable system and other strategic opportunities.

As a result of the placement, the Company has further extended its shareholder base to include a number of new high-quality institutional investors that were not previously shareholders, including a strategic international investor from the infrastructure sector.

Managing Director Bevan Slattery welcomed the new institutional and sophisticated investors to the Company. He said that, the capital raising completed the equity funding requirements for the Company's existing international submarine cable system and provided additional working capital.

"Along with the strong recurring cashflows being generated by PIPE Networks' domestic fibre optic business, the successful equity placement means that the Company has completed the necessary equity funding requirements for its current domestic and international expansion plans."

In addition to the benefits for its funding requirements, Mr Slattery said that the successful placement provided an increase in market capitalisation, additional high-quality institutional investors, and enhanced liquidity in the Company's shares.

**ENDS**

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