

ASX RELEASE

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PPC-1 Update – Cable Laying Commences in Guam

Further to **PIPE Networks Limited's (ASX:PWK)** ASX announcement of 3 March 2009, PIPE Networks is excited to announce that its wholly-owned subsidiary, PIPE International (Australia) Pty Ltd, has reached a major milestone in the PPC-1 project with the commencement of 'Lay 2' of the cable in Guam.

Operations commenced yesterday at dawn with the Tyco Telecom cable ship "*Decisive*" mobilised in the ocean off Guam. A smaller vessel pulled the cable, suspended by a string of buoys above the ocean floor. The cable was then attached to a draw wire that pulled it through the undersea conduit and onto the beach manhole at 11:41am local time. The cable has since been secured and tested to be working properly. The *Decisive*, with its load of 2428.651 km of submarine cable, has now commenced the cable lay from Guam to just north of Madang in Papua New Guinea.

PIPE Networks' CEO, Bevan Slattery, who was in Guam to oversee the landing and connection of the cable, said it was an historical moment, not just for the company, but for the Australian telecommunications industry. "*The landing of this cable is a significant step towards revolutionising the industry,*" he said. "*I'd like to personally thank the landing team including Tyco Telecom and Calpac.*"

As the *Decisive* continues Lay 2, the other cable ship, Tyco Telecom's "*Durable*", is on its way to Collaroy in Sydney's north to commence Lay 1 from Sydney to Madang and is scheduled to land in Sydney in the next few weeks.

The PPC-1 submarine cable system will consist of 6,900 km of submarine cable from Sydney to Guam and once completed will be Australia's first independent, carrier neutral cable. The progress of the PPC-1 project is tracked by PIPE International's blog at www.pipeinternational.com. Additional footage and photos will be posted on the blog in the next 48 hours.

ENDS

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