ASX RELEASE

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PPC-1 successfully transmits IP packets between Australia and the USA via Guam

PIPE Networks Limited (ASX: PWK) subsidiary, PIPE International (Australia) Pty Ltd today announced that PPC-1 has successfully completed another major milestone by transmitting Internet Protocol (IP) packets end to end between Australia and the USA via Guam.

PIPE International in partnership with Australian internet innovator Internode Pty Ltd established IP connectivity from Sydney to San Jose via Guam with initial tests proving to be completely successful.

"The PPC-1 project has been an extraordinary journey 'full of firsts', however we are delighted that this has been the 'first' that we are able to share with one of our foundation customers, Internode", said Mr Slattery, CEO of PIPE Networks Ltd.

Simon Hackett, Managing Director of Internode said that PPC-1 passed its first tests with flying colours. "PPC-1 has successfully demonstrated its performance by allowing Internode to send Internet Protocol (IP) packets end-to-end between Australia and the USA via Guam", he said.

"As the first customer to successfully trial PPC-1 ahead of its official launch on the 8th October 2009, Internode is completely confident in PPC-1's readiness for official handover to foundation customers, including Internode on October 8", Mr Hackett said.

Since PPC-1 passed first light on 23 August 2009, the teams at PIPE International and Tyco have been undertaking a rigorous testing regime on the system including full capacity testing, commissioning and acceptance testing of the Submarine Line Terminal Equipment (SLTE) and Power Feed Equipment (PFE), and in the past week exhaustive confidence trials. With these trials now nearing completion, PPC-1 has also been able to interconnect onward capacity from Tata Telecommunications to create end-to-end connectivity between Australia and the United States for testing.

The cable system remains on track for official handover to foundation customers on 8th October, 2009.

For further information please visit PPC-1 blog at www.pipeinternational.com

About PIPE International
PIPE International, a subsidiary of PIPE Networks Limited (ASX: PWK) provides secured and fast international bandwidth from Australia to the US and Asia. PIPE International is in the process of constructing the first carrier neutral submarine cable "PIPE Pacific Cable (PPC-1)" which is expected to be fully operational from 8th October 2009. PPC-1 represents a significant milestone in the Australian telecommunications industry, as it has the potential to increase competition for international data traffic and offer true diversity to the US and Asia.

For further information please visit www.pipeinternational.com

About PIPE Networks
PIPE Networks Limited (ASX:PWK) is a leading facilities-based telecommunications service provider in Australia. The company owns the third largest metropolitan fibre optic network in Australia connecting to key strategic IT infrastructure locations.

Since its inception in 2002, the company has delivered sustainable revenue and profitability growth by offering reliable and cost effective dark fibre, managed ethernet, telehousing and peering products to internet service providers (ISPs), corporate customers and Government departments.

For further information please visit www.pipenetworks.com.au

About Internode
Internode is a first tier IP carrier committed to using broadband technology to redefine the national telecommunications environment. The Australian-owned company is a trailblazer that delivers broadband services to individuals and businesses throughout Australia.

Follow Internode online at www.internode.on.net/about/follow_us_online

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