

26 October 2007

Project Runway Update #5

Project Runway is PIPE Networks' plan to improve Australia's international telecommunications transmission capacity by building a new submarine telecommunications interconnection hub at Guam.

able linking Sydney to the key international

The submarine cables system is to be called PPC1.

PIPE Networks has just submitted or will be submitting various permit applications in the next few weeks to various government agencies and other third parties. As such, the Board of PIPE Networks wishes to disclose the following:

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- PIPE International has lodged its application to become a licensed Australian telecommunications carrier with the Australian Communications and Media Authority. The application details PIPE International's proposed PPC1 submarine cables system from Collaroy, Sydney to Piti, Guam. The application outlines some key design specifications of the system, including additional fibre repairs and bridging units for future installation of spur strategic locations within and outside of Australia.
- The New South Wales Department of Land and Water Conservation has provided conditional approval for PIPE International to occupy crown land for the installation of the PPC1 submarine cables system.
- The Royal Australian Navy and the Royal Australian Air Force have both provided provisional approval for the PPC1 submarine cable system to cross specified military exercise areas.
- PIPE International is finalising settlement of the Australian landing station at Cromer, Sydney.
- PIPE International proposes to lodge its Environmental Protection and Biodiversity Conservation Act permits in the following week.

PIPE Networks continues to be actively engaged in negotiations, subject to confidentiality and final build approval, of contracts with domestic and international parties. Until all such agreements are finalised, PIPE Networks will not proceed with the project. However, the board feels there has been sufficient progress on the project to date and the submission of these applications is appropriate and necessary.

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Regular updates on the project will be provided as becomes available and is able to be released.

appropriate or when market sensitive information

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