

23 September 2008

PIPE Subsidiary opens NZ links

PIPE Networks Limited (ASX:PWK) today congratulated the management team of Vocus Connect on their expansion to service New Zealand wholesale and corporate customers. The Company invested in Vocus in April 2008 and continues to see real growth in this agile and innovative solution supplier.

Vocus is currently constructing a Points Of Presence (POPs) in Auckland which will provide a basis for wholesale and corporate customers to access international data transit from New Zealand to Australia and on to the rest of the world at highly competitive prices. James Spenceley, CEO of Vocus, also announced the first customers of the service, including FX Networks and Telarus.

The board believes that Vocus will contribute a positive effect on the 2008/09 financial year, however the impact is too uncertain at this time to provide accurate guidance.

For further details please see the attached media release from Vocus Connect.

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MEDIA RELEASE

Vocus Announces NZ Expansion

Sydney 22 September, 2008: Wholesale voice and Internet provider Vocus has announced its New Zealand expansion with the company offering its International SDH, Ethernet and its flagship IP transit product to the New Zealand market from November 1, 2008.

Vocus is currently building its Auckland POPs based on Cisco's SDH switches, specifically the Cisco ONS 15454. The initial deployment will include two locations including a POP at the Auckland Peering Exchange located at Sky Tower.

The POPs will boost the quality and quantity of Internet in New Zealand with Vocus bringing significant capacity increases plus the first native IPv6 transit service to the country.

James Spenceley, CEO of Vocus also announced a multi-year, million-dollar international IP transit deal with New Zealand backbone operator FX Networks.

"FX Networks is one of the most forward thinking and fastest growing telecommunications companies in New Zealand and has again demonstrated its commitment to driving growth in the local market. We are delighted to be working with such a high profile and progressive customer," said Spenceley.

Jamie Baddeley, General Manager Sales for FX Networks adds, "This deal is a significant one. Not only does it add global diversity and technological capability to our high performance Internet backbone in NZ, but we're now able to deliver seamless Trans-Tasman private Ethernet services from major cities in NZ to major cities around Australia."

"Vocus is aligned with our values. Like us, they are focused on making communications fast, affordable and reliable. It was a simple decision."

Spenceley believes that to date, International Private Line capacity between Australia and New Zealand has been over priced and only available in quantities to suit the telecommunications elite.

"From November 1, Vocus will be offering international Ethernet between Australia and New Zealand in 10Mbps increments, opening the market for many more services and better quality connectivity between the two countries," he said.

Another customer of the Vocus expansion is Melbourne based Telarus, which is the first Australian company to have purchased a New Zealand International Ethernet service from Vocus.

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About Vocus (www.vocus.com.au)

Vocus Group provides wholesale Voice and IP transit to Telecommunications companies and ISPs across Australia.

About FX Networks (www.fx.net.nz)

FX Networks has the fastest independent intercity pipeline in New Zealand. It is also the first commercially available independent 10Gbps intercity light path in the country.