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MEDIA RELEASE

PIPE NETWORKS SIGNS \$1.2M CONTRACT AND TO COMMENCE 40,000M FIBRE NETWORK IN MELBOURNE

Australian dark fibre specialist **PIPE Networks (ASX:PWK)** today announced it has been awarded a three year contract worth more than \$1.2 million by Internet service provider, Netspace to provide Dark Fibre services in Melbourne.

As a result of the agreement with Netspace, PIPE Networks is installing over 40,000m of fibre optic network covering 6 datacentres and 15 Telstra Exchanges throughout the Melbourne CBD and metropolitan area.

The installation of the new Melbourne network will strategically position PIPE Networks with the capability to provide Dark Fibre services via its own CBD and metro fibre optic networks in all three east coast capital cities of Australia.

The Melbourne network will initially provide PIPE Networks' first Melbourne dark fibre customer Netspace with a significant increase to the backbone capacity on its core Network. More importantly, the new network will enhance Netspace's ability to deploy DSLAM's by providing access to Dark Fibre services at 15 Exchanges in the Melbourne Metropolitan area.

According to Netspace Director Stuart Marburg, PIPE Networks' offering gives Netspace virtually unlimited network capacity to key locations such as exchanges and its core network sites.

"As one of Australia's leading Internet Service Providers, we need to have the latest generation technology for Internet and voice services. At the same time, we also need to ensure that our network has the capacity and reliability to offer quality services to our customers. With PIPE Networks Dark Fibre we achieve the highest level of performance, flexibility and scalability possible." said Marburg.

Bevan Slattery, Managing Director of PIPE Networks said that the decision to expand into Melbourne is consistent with the Company's infrastructure investment approach outlined in its April 2005 IPO prospectus. In particular, the Netspace contract will ensure that a significant component of the Melbourne network installation costs will be recovered over the life of that contract.



"With our new level of east coast CBD and metro network coverage, any major business or telco based on the east coast of Australia needing fibre connectivity to major points of interest such as datacentres for Disaster Recovery can now come to PIPE Networks for all their needs, Mr Slattery said"

The deal represents another milestone for PIPE Networks which enjoyed a strong debut on the ASX last week and their Dark Fibre service being voted by ATUG "Best Communications Solution – Large Business" back in March.

The entire network is planned to be completed by 31 July, 2005.

About PIPE Networks

PIPE Networks is a public listed company (ASX: PWK), headquartered in Brisbane, with branch offices in Sydney, Melbourne and Adelaide.

PIPE Networks provides independent technology solutions for Australian clients, and has three lines of business: The company operates the nation's largest Internet Exchange, with a network across six capital cities serving some of Australia's largest content and internet service providers. It also builds and operates dark optical fibre networks, offering clients in Sydney and Brisbane new levels of connectivity and freedom.

In addition, PIPE Network clients trust in the company's ability to provide secure sites for their IT equipment, giving them more options for primary, backup or disaster recovery sites. As a young, agile company, PIPE Networks is able to foresee and guickly respond to client needs.

About Dark Fibre

Dark fibre is literally 'unlit' optical fibre that allows users to build their own network and equip it in a manner that best suits their business. It enables all forms of data to be transmitted on a single fibre pair of almost limitless capacity. The result is a very high bandwidth communications pipeline supporting the seamless flow of data across your network, whatever the location.

Because modern IT equipment comes with the ability to drive a fibre network, dark fibre can be leased to customers without any need for a carrier to provide framing, modulation or other signal on the fibre. This provides customers with complete flexibility over the technology, equipment or protocols they run on their network, together with the almost unlimited bandwidth potential of optical fibre and point-to-point privacy and security.

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