

Media Release

GROWING DEMAND FOR VOIP TECHNOLOGY GENERATES PIVOTAL ICT PARTNERSHIP

Sydney, Australia October 11 2004: Freshtel Holdings, a leading manufacturer of Voice over Broadband (VOB) technology, has partnered with Wholesale Communications Group (WCG) to distribute its VOB IP telephony products and services. The partnership will create one of Australia's most extensive VOB distribution channels via WCG's portfolio of over 220 ISPs and service providers across Australia and New Zealand.

Increased vendor confidence and constant cost and productivity reviews of telephony methods have initiated an increase in demand for VoIP technology in Australia over the last year. As part of the alliance Freshtel's leading IP telephony softphone, Firefly, will be marketed to WCG's ISP clients. Firefly allows computer users to make free telephone calls via their internet connection or to fixed landlines and mobiles at exceptionally competitive call rates.

Michael Carew, CEO of Freshtel, said: "Australia's accelerated demand for VoIP technology over the last year has fast tracked Freshtel's growth, including our recent passing of 130,000 subscribers. WCG will provide Freshtel with an excellent base from which to continue growing our business with a carrier-grade service to over 98.5% of metropolitan and regional Australia. The partnership will help us to access hundreds of thousands of new end users through WCG's extensive service provider customer base, so the fit with WCG was an obvious one."

WCG is one of the largest aggregators of communications services in the Australian market and the agreement has opened up Freshtel's strong VOB platform to its extensive ISP network, with access to over 500,000 subscribers. The agreement also allows Freshtel to link its VOB hardware and software to WCG's voice billing solutions to gain rapid market entry.

Matthew Hobbs, managing director of WCG, said: "This agreement is very exciting for us as WCG is now able to provide a market-leading voice solution complete with high quality handsets, something which our customers have been demanding. The alliance with Freshtel will therefore enable us to provide a tangible value-add to our expanding Service Provider customer base."

On the agreement with Freshtel: "We looked at the market in detail and were impressed by Freshtel for several reasons. Freshtel is a fast-growing brand with an impressive growth strategy in place, and their Firefly product is second to none in terms of call quality."

Mr Hobbs added, "Firefly uses protocols that overcome the issues we found looking at other solutions in traversing NAT and firewalls, simplifying installation and reducing support costs for our service providers, allowing them to market to a residential base with confidence."

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About Freshtel

Freshtel is a leading Australian provider of VOB (Voice over Broadband) telephony products and services for the global residential and SME market. VOB makes use of the Internet and other IP networks to route telephone calls from one caller to another, bypassing existing telephone companies and giving callers' significant savings over conventional telephony.

Freshtel is part of Freshtel Holdings, an Australian Internet communications company based in Melbourne, Australia. Established in 2002, the company has extensively researched the future possibilities of VOIP technology and the growing Internet telephony markets and has built a technical team that works at the forefront of this rapidly growing market.

www.freshtel.net

About WCG

Wholesale Communications Group Pty Ltd is a supplier and aggregator of Communications solutions to the wholesale market, providing innovative, cost effective solutions to ISPs and System Integrators. WCG supply a broad range of services to over 220 small to large sized ISPs and Systems Integrators, Australia-wide.

WCG provides easy to use wholesale voice provisioning and billing solutions to easily integrate with existing service provider's offerings. WCG also provides access to world class carrier grade networks for the last mile access required to support successful VOB and VOIP implementations in Australia.

www.wcg.net.au