



ASX RELEASE

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MEDIA PRESENTATION – PROJECT RUNWAY

Please find attached a presentation to media and guests by Managing Director and CEO, Mr Bevan Slattery. This presentation provides an overview of **PIPE Networks Limited (ASX:PWK)** PPC-1 undersea cable which was announced earlier today.

ENDS

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PROJECT RUNWAY IS GO

PPC-1 LAUNCH PRESENTATION





PPC-1 – An Investment in Australia’s Future

- **Approx 6,900km fibre cable connecting Sydney to Guam**
- **2 Pair fibre system with 96 x 10G wavelengths per pair (1.92Tb/s)**
- **Latest system design technology leap-frogging current systems**
- **Cost of approx AU\$200M**
- **Interconnects Australia, PNG, Guam and beyond with partnership VSNL**
- **Q2 2009 RFS Date**

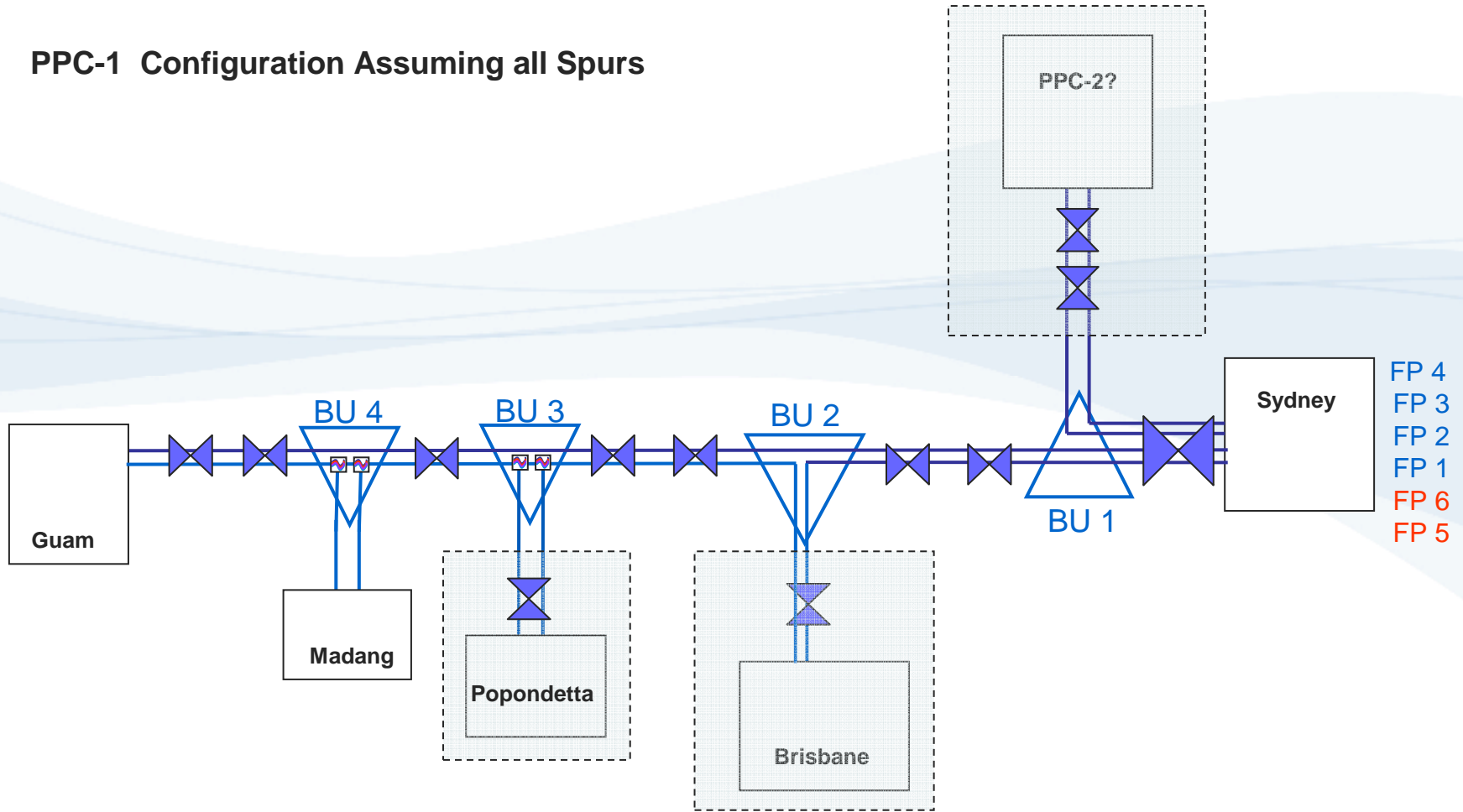


PPC-1 Map





PPC-1 Configuration Assuming all Spurs





(Public) Key Customers

PRIMUS
TELECOM

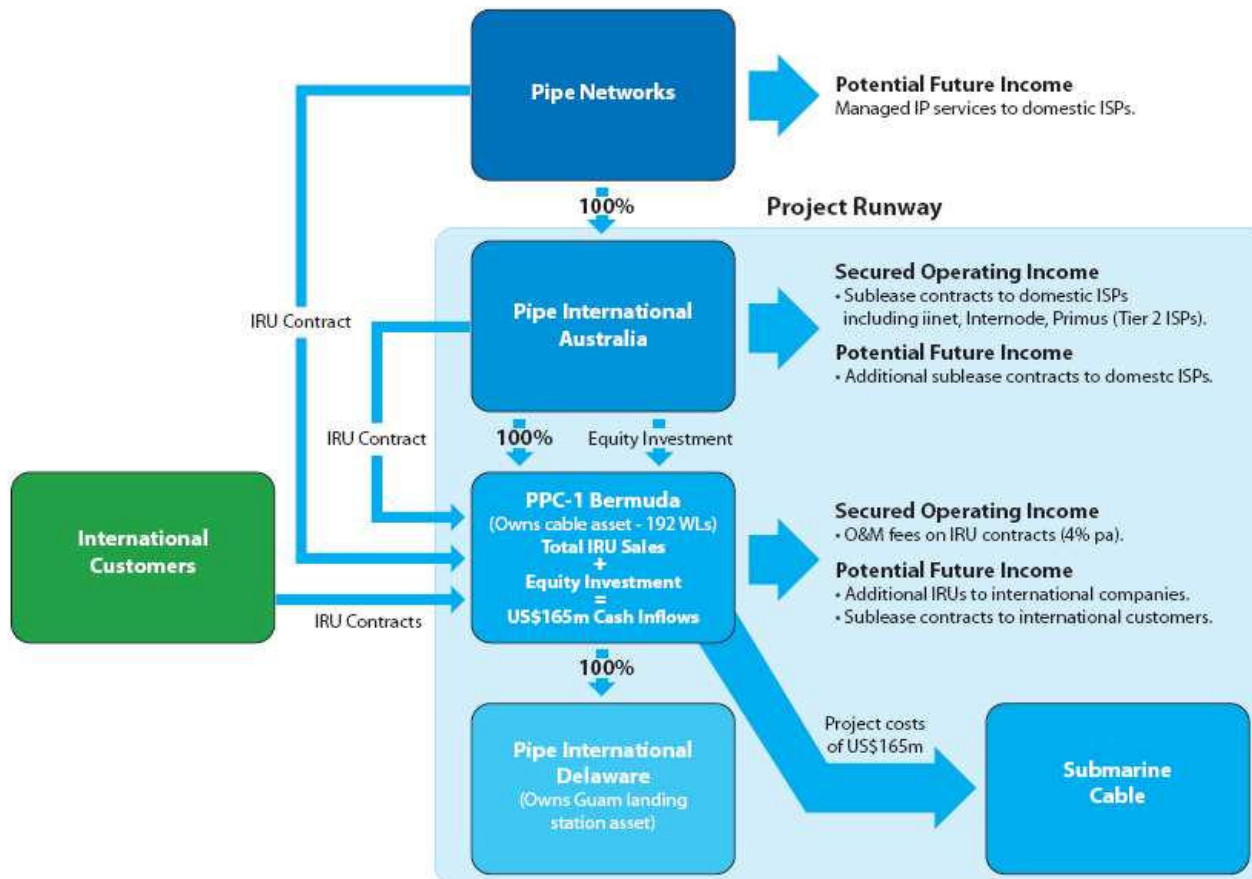
iiinet
connect better


Internode

VSNL INTERNATIONAL™

 **TELIKOM**

Structure





Funding

- **No immediate requirement to raise capital due to strong balance sheet**
- **Majority of the project will be funded by construction finance which is being finalised by management. However any construction finance is expected to be 100% secured by customer contracts**
- **Upon completion cable vehicle will be debt free within 6 months while project vehicle is expected to be EBIT positive within the first 12 months of operation**



What will PPC-1 mean for Foundation ISP's

- **Significant reduction in international bandwidth charges**
- **Pricing protection guaranteeing their investment now and in the future**
- **Break the Gang-of-Four monopoly on bandwidth into Australia**



PCC-1 Cheaper, richer, faster Internet

- Lower price for bandwidth reduces the cost for consumers (**cheaper**)
- Consumers can download more for less giving a **richer** Internet experience
- More bandwidth means a **faster** Internet speeds and a better experiences



What will PPC-1 mean for PIPE Networks

- Brings PIPE Networks into the international marketplace
- Creates a significant asset with over 90% spare capacity available for sale
- Project to be fully funded by investment and capacity agreements
- No change to 2008 and 2009 financial years guidance at this stage
- Service contracts expect to increase annual revenues in excess of \$20M+ in the 2010 FY and beyond

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Thank you

This concludes our presentation



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