SPT ANNOUNCEMENT

SP Telecommunications Limited ("**SPT**") announces that is has finalised the terms of the rights issue to fund part of the purchase price for its proposed acquisition of NBN Television announced on 29 April 2004.

Under the terms of the rights issue, it is proposed that shareholders will be offered shares in SPT on the basis of 4 new shares for every 9 that they hold as at the record date for the rights issue at a price of $1.05 per share. Rights offered under the rights issue will be renounceable. The rights issue is conditional upon SPT shareholders approving the proposed acquisition of NBN Television and has been underwritten by ABN AMRO Morgans Corporate Limited ("**ABN AMRO Morgans**").

SPT option holders will not be entitled to participate in the rights issue in respect of those options unless they exercise those options and are issued with shares in the Company before the record date for the rights issue (expected to be in late June). The rights issue is expected to raise between $86.8 million and $89.6 million depending on the extent to which option holders exercise those options and participate in the rights issue.

Washington H. Soul Pattinson and Company Limited ("**Soul Pattinson**") has committed to take up 20,000,000 shares under the rights issue, representing approximately 44.3% of its entitlement. The balance of Soul Pattinson's rights are expected to be placed with institutional and sophisticated investors on its behalf by ABN AMRO Morgans.

Following the rights issue and the further issue of shares to Soul Pattinson as part consideration for the acquisition of NBN Television, Soul Pattinson's shareholding in SPT is expected to be between 51.6% and 53.0%, depending on the extent to which options are exercised. Soul Pattinson's shareholding at the date of this announcement is 54.6%.

If the acquisition of NBN Television is approved by shareholders of SPT and Soul Pattinson, a prospectus in relation to the proposed rights issue will be lodged with ASIC and is expected to be sent to shareholders in late June. Any decision to participate in the rights issue must be made solely on the basis of the prospectus. The rights issue is expected to be completed in late July. Full details of the timetable for the rights issue will be included in the prospectus.

SP Telecommunications Limited

ACN: 093 058 069

11-17 Mosbri Crescent, Newcastle NSW 2300

Phone: 02 49 265007 Fax 02 49 265231

SPT also announces that Ernst & Young Transaction Advisory Services Limited has concluded that the proposed acquisition of NBN Television and issue of shares to Soul Pattinson in connection with that acquisition is fair and reasonable to the non-associated shareholders of SPT.. Attached is a copy of a draft of a notice of meeting and explanatory memorandum in relation to the meeting of shareholders to be convened for the purposes of approving the acquisition of NBN Television, which contains the report from Ernst & Young Transaction Advisory Services Limited. The meeting, which is provisionally scheduled for Tuesday 15 June 2004, will also consider resolutions to amend the company's constitution and change the company's name to SP Telemedia Limited, if the acquisition of NBN is approved.

Shareholders should note that the notice of meeting and explanatory statement remain subject to review by the Australian Stock Exchange ("**ASX**") and both the contents of those documents and the date for the shareholder meeting may change as a result of ASX review. A final version of notice of meeting and explanatory statement and confirmation of the date of the meeting will be lodged with ASX and sent to shareholders in due course.

SP Telecommunications Limited

ACN: 093 058 069

11-17 Mosbri Crescent, Newcastle NSW 2300

Phone: 02 49 265007 Fax 02 49 265231