

For immediate release

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Melbourne IT sells NeuLevel stake for AU\$5.8 million

Global web solutions provider, Melbourne IT (ASX:MLB), today announced the sale of its 10% stake in domain name registry, NeuLevel to the majority shareholder, NeuStar for AU\$5.8 million (US\$4.3m). This transaction will be reflected in Melbourne IT's profits for 2006 in the amount of AU \$4.47 million. The original investment by Melbourne IT, made in 2001, had been US\$3.4m.

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"The proceeds from the sale of the NeuLevel stake will increase Melbourne IT's cash balance to more than AU\$32 million which will further strengthen our already healthy cash position and with it, our ability to pursue acquisitions both in Australia and overseas. It also will enable the Board to consider lifting the future dividend payout ratio" said Theo Hnarakis, CEO of Melbourne IT.

NeuLevel is the domain name registry for .biz and a trusted third party provider of next generation domain name registry services to the Internet community. Mr Hnarakis thanked NeuStar for its partnership contribution over the last few years.

About Melbourne IT

Melbourne IT (ASX:MLB) is a world leader in the supply of domain name registration and other online solutions with a strong commitment to the delivery of high value internet services and web-based solutions to organisations of all sizes across the globe. MLB was listed on the Australian Stock Exchange in 1999 and has a network of offices in locations across the world.

For further information

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