15 April 2005

The Manager
Company Announcements Office
Australian Stock Exchange

Dear Sir/Madam,

Please find attached letter to Shareholders for immediate release.

Yours faithfully,

Ian May
Managing Director

Tele-IP Limited
ABN 39 010 568 804
8 Anzed Court, Mulgrave, Victoria
WEB www.tele-ip.com

TELEPHONE: +61 3 8561 4200 FACSIMILE: +61 3 9560 9055
CORRESPONDENCE: PO Box 4112, Mulgrave, Victoria 3170, Australia
EMAIL: info@tele-ip.com HELPDESK: 1800 TELE IP (1800 835 347)

15 April 2005

Dear Share Holder

Renounceable Rights Issue

Eligible share holders will shortly have an opportunity to participate in a 5 for 2 renounceable rights issue at A$0.02 per share to raise approximately A$8.9 million. The rights issue is underwritten by Tolhurst Noall Limited up to a minimum subscription amount of $4,750,000. Eligible shareholders may also apply for additional new shares.

The majority of proceeds from this Capital Raising will be used to acquire the businesses of PGS Communication Systems Pty Ltd (PGS) and Able Communications and Services Pty Ltd (Able). There is considerable synergy between these existing and reputable businesses and the current networking capabilities of Tele-IP. These acquisitions will substantially expand and enhance our current Network integration business. Funds will also be utilized to reduce debt, develop distribution networks for Beam products, and provide working capital to integrate the businesses.

The Tele-IP Board intends to divest the Company's interest in StratoSonde Pty Ltd following completion of this Rights Issue on the most favourable terms the directors are able to negotiate. This proposed divestment will remove any future cashflow burden on Tele-IP, and will allow StratoSonde to seek funding independently of Tele-IP.

An information sheet is overleaf which sets out some key information about the renounceable rights issue.

On or around 29 April 2005, we will send to eligible share holders a copy of the Prospectus, together with an Entitlement and Acceptance Form setting out your entitlement under the offer. The Prospectus contains detailed instructions on what you must do in order to take up all or part of your entitlement. We recommend that you read the Prospectus in its entirety before deciding to take any course of action.

The Offer will open at 8.30am (AEST time) on 23 April 2005 and closes at 5.00pm (AEST time) on 13 May 2005 (unless otherwise amended by Tele-IP Limited).

If you have any questions as to what you should do in relation to the Offer, we recommend that you contact a stockbroker or other professional adviser without delay.

The Prospectus has been lodged with the ASX and is available for viewing on the Tele-IP Limited website at www.tele-ip.com. The electronic version of the prospectus should only be viewed by persons receiving it in Australia and New Zealand. Persons who access the electronic version of this Prospectus must ensure that they download and read the entire Prospectus.

Yours sincerely,

Dr Colin Adam
Chairman

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Tele-IP Limited Renounceable Rights Issue - information sheet

The following information is provided to share holders in accordance with ASX Listing Rules. Full details of the Offer are contained in the Prospectus which will be sent to you on or about 29 April 2005.

Is security holder approval required?	No
Is the issue renounceable or non-renounceable?	Renounceable
Ratio in which the +securities will be offered	5 fully paid shares for every 2 existing shares held at 7:00pm AEST time on the Record Date. Share holders may also apply for additional new shares beyond their entitlement
+Class of +securities issued or to be issued	Fully paid shares
Number of +securities issued or to be issued (if known) or maximum number which may be issued	Approximately 447,583,015: this number may vary slightly due to rounding
Do the +securities rank equally in all respects from the date of allotment with an existing class of securities	Yes
+Record date to determine entitlements	7.00pm AEST time on 22 April 2005
Policy for deciding entitlements in relation to fractions	Fractional Entitlements will be rounded up to the nearest whole number
Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Share holders in countries other than Australia and New Zealand are non-qualifying share holders
Closing date for receipt of acceptances or renunciations	5.00pm AEST time on 13 May 2005 (unless otherwise amended by Tele-IP Limited)
Name of any underwriters	Tolhurst Noall Limited
Amount of any underwriting fee or commission	The Company must pay the Underwriter: (a) 2% of the amount precommitted by the Company's major shareholders (as described in section 8.6 of the Prospectus); and (b) an underwriting commission of 6% of the balance of the Underwritten Amount.
Names of any brokers to the issue	N/A
Fee or commission payable to the broker to the issue	N/A
Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	29 April 2005
If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
Despatch date	Expected to be 23 May 2005