12 July 2005

The Manager
Company Announcements Platform
Australian Stock Exchange

Dear Sir,

Announcement for Immediate Release

Tele-IP completes acquisition of Able and PGS businesses

The directors of Tele-IP advise that all conditions precedent to the purchase of the Able and PGS businesses have now been satisfied and the acquisitions have been completed. The effective date for the commencement of trading for the merged entity was 1 July 2005.

In accordance with the terms of the respective sale agreements, a total of 54,750,000 shares will be allotted to the vendors of the Able and PGS businesses today. The shares are subject to voluntary escrow for a period of 12 months following their issue.

Further details of the acquisition of the Able and PGS businesses are set out in Tele-IP's recent Rights Issue Prospectus.

Yours faithfully,

Ian May
Managing Director

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