



ICE CORPORATION LIMITED
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ASX ANNOUNCEMENT: ICE DELIVERS FIRST PRODUCTS TO ALCATEL FOR CELCOM AND SIGNALS IMPROVEMENTS IN SECOND HALF RESULTS

ICE Corporation Limited (ICE) is pleased to announce that yesterday we began deliveries to Alcatel Network Systems Malaysia of Australian designed DC power equipment from our Topaz factory in Johor Bahru. ICE Managing Director, Mr. Jeff Hooper stated,

" This delivery of our recently developed 48V/25Amp/1400watt RT9 module based 125 Amp DC Powershell solution to Alcatel represents our first significant "ICE direct" entry into the \$5 billion global telecom market. It's an important milestone as it represents a range of firsts for us:

- Our first direct specification win against the big DC Power industry players for a major tender
- Our first win with Alcatel, now becoming an Alcatel approved supplier for the Asia Pacific region
- Our first exclusive specification win with Celcom Malaysia, a subsidiary of Telekom Malaysia
- Our first win for our unique Powershell designs for RT9/1400 watt and RT8/2800 watt products

Whilst our advice from the customer pipeline is that this project win will generate in excess of \$3.m in sales for us annually over the next three years, the rollout of telecom equipment is unpredictable and should be used as indicative. Importantly, this win will help smooth our lumpy sales order patterns. Additionally, we are tendering for other similar projects in India, Europe and Asia being very well -positioned at each milestone so far, in these long sales gestation processes. We remain confident that our product design and manufacturing offering is competitive with the major players on technical and price terms. Our challenge remains scale, financial strength and further developing the operational skills to cope with the emerging growth.

I'd also like to take this opportunity to advise that we are expecting an improvement in our results for the second (June) half of fiscal 2006 compared to the first half. Whilst we started the second half well, our lumpy order-sales pattern and stretched component supply chain continues to pressure working capital. We are currently in negotiation with banks in Australia and Malaysia to better match the long sales trading terms with the short supply terms that are a feature and challenge of the industry in which we now compete.

It's a very busy time for us with strategic business alliances under consideration in Europe, India and China and we expect to be in a position to advise of further progress shortly in our continuing push to be a global player in the DC Power industry."

For more information, please contact Jeff Hooper or Robert Allen on 03 9896 7550.

JEFF HOOPER
MANAGING DIRECTOR

About ICE

ICE Corporation Limited is a licensor and manufacturer of switch mode rectifier designs and related electronic sub-components to the global telecommunications infrastructure supply market. Its subsidiaries trade as Rectifier Technologies Pacific Pty Ltd., Protran Technologies Pty Ltd., Topaz Power, (Malaysia) Sdn. Bhd. For further information visit www.icecorporation.com.au.

About Alcatel Network Systems (Malaysia) Sdn Bhd

Alcatel Network Systems Malaysia is based in Kuala Lumpur and was set up in 1992 as a 51:49 joint venture between Alcatel (France) owning 51% and Yayasan Bumiputra Pulau Pinang and Sensasi Mahir jointly owning the remaining 49%. It's parent, Alcatel, operates in 130 countries and is the world leader in the supply of wireless transmission systems to the telecom market. For further information visit www.alcatel.com.my

About Celcom and Telekom Malaysia

Celcom Malaysia was established by Telekom Malaysia (TM) in 1998 and is Malaysia's largest provider of mobile communications solutions. For more information on Celcom visit www.celcom.com.my and for TM visit www.telekom.com.my