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ASX & Media Release

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Progress of Merger

On 27 July 2006, Service Stream Limited ("STR") and Total Communications Infrastructure Limited ("TCI") announced an agreement to merge. The merger will be effected by way of a Scheme of Arrangement.

The merger will be achieved by:

- A Scheme of Arrangement ("the Merger") under which TCI will acquire all of the shares in STR on the basis of 2 TCI shares for every 5 STR shares held
- The acquisition by STR of a substantial shareholding in TCI
- The subsequent cancellation of the STR stake in TCI

Implementation activities required for the merger and scheme are progressing according to plan as agreed in July. Due diligence has now been completed and the Scheme Booklet has been drafted and following consideration by ASIC, the booklet should be distributed to shareholders in early November.

On Friday 27 October 2006 the final draft of the Scheme Booklet will be submitted to the Supreme Court of Victoria. It is proposed that following that hearing the Scheme meeting will be convened to consider the proposed Scheme and subsequent to the Court hearing STR and TCI will announce the time table that will see the merger and scheme completed in late December.

Commenting on the merger process, Managing Director and CEO of STR and the merged group, Mr Patrick Flannigan said:

"We are delighted with merger process to date. As the two organisations get closer we increasingly believe that both the business and cultural fits are right".

On completion of the merger, STR will be a leading technical and industrial services company, with managed service capabilities across telecommunications, energy and other utility sectors.

Mr Flannigan added, "STR has made a positive start to the current fiscal period, completing the September Quarter will all business units operating at or above budget. We now look forward to completing the merger and moving forward".

For further details contact:

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About Service Stream Limited:

Service Stream is a public company listed on the Australian Stock Exchange (Code: STR) with annual revenues exceeding A$171 million. The company is an Australian owned and operated industrial services enterprise with a strong IT capability, proven outsourced field force management, technical support, customer assistance and asset management capabilities. Service Stream aims to generate superior returns for shareholders by leveraging its equipment installation and maintenance capabilities across a range of infrastructure based industries. For more information please visit the Company's website at www.servicestream.com.au.