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Media Release

On Market Buy Back – up to 1 million TPC Shares

- Tel.Pacific to implement an on market buy-back of its issued shares (ASX:TPC)
  - Up to 1 million shares to be purchased
- Tel.Pacific continues to review other growth options
  - Current share price represents a very good opportunity for capital management
  - Balance to be maintained between buyback and potential alternative uses of capital

10 October 2014: The Board of Tel.Pacific Limited today announced its intention to implement an on market buy-back of up to 1 million shares of its currently issued share capital, listed as ASX: TPC. It is intended the buy-back take place no earlier than 27 October 2014 and for not longer than 6 months.

The buy-back recognises the strong capital position of the Company, and the fact that Board believes the current share price reflects an effective discount to the intrinsic value of the Company.

Implementing a buy-back arrangement gives Tel.Pacific the flexibility to pursue the most beneficial capital management options available to it. However, Tel.Pacific will also continue to investigate other options for growth, where those options allow it to expand its customer base and earnings potential at an appropriate cost.

The Company proposes to instruct its broker to take a position in the market only where that position maximises the benefit of the buy-back to the Company. The maximum number of shares that may be bought under the buy-back is 1 million shares, but the Board advises shareholders that there can be no certainty that the Company will acquire (or seek to acquire) any shares under this buy-back arrangement.

None of the Directors, or shareholders controlled by the Directors, intends to participate in this buy-back.

For more information please contact:

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About Tel.Pacific

Established in 1996, Tel.Pacific is a significant participant in the Australian communications market. The Company's core business centres around the MRTM platform (Mobile Real Time Monitoring) which is an intelligent network connected to a leading mobile network. The Company is currently an MVNO (Mobile Virtual Network Operator) and MVNE (Mobile Virtual Network Enabler).

Recently the Company's wholly owned subsidiary, COVA U, entered the electricity and gas business having been granted a licence by the Australian Energy Regulator. The services will be rolled out from April 2014.

Since its establishment, Tel.Pacific experienced strong revenue growth and with the recent sale of the Pre-paid Phone card business its focus is now on growth opportunities in its mobile business, and in the electricity and gas business. Tel.Pacific intends to further expand its business activities as part of its long-term growth strategy.

Tel.Pacific's core product line comprises Hello Mobile and Gotalk Mobile, which are sold to consumers. The COVA U services will also initially be sold to consumers. The Company also has wholesale customers on its MRTM platform.