iiNet Announces $15 Million Investment in its Next Generation ADSL2+ Network

Increase to 90% Metropolitan Coverage, Making 4 Million Households[1] Eligible for ADSL2+

9 March, 2006 - iiNet Limited (ASX: IIN), Australia's third largest Internet Service Provider (ISP), today announced a $15 million investment in its next generation ADSL2+ network, which will increase coverage to 90% of metropolitan Australia and enable four million households to be eligible for iiNet's ADSL2+ service, with speeds of up to 24,000kbps.

"iiNet was the first to introduce ADSL2+ broadband nationally and already has the largest next generation ADSL2+ network in Australia. $15 million will be invested to install an additional 150 new DSLAM's in exchanges across Australia, by January 2007," said Michael Malone, Chief Executive Officer, iiNet Limited.

"In addition to the $15million investment, we will be investing in alternative dark fibre backhaul infrastructure with PIPE Networks, a leading provider of telecommunications infrastructure. This dual supplier strategy will deliver lower cost backhaul transmission, with unlimited bandwidth for a fixed price, and significantly increased capacity for future bandwidth demand."

"The continued investment in the development of our next generation ADSL2+ network reduces our dependence on Telstra wholesale services with the end benefit to our customers of faster broadband speeds and greater reliability," added Michael Malone.

iiNet's next generation ADSL2+ network enables effective transmission of data, voice and video over the Internet, often referred to as 'Triple Play.' Customers can use high speed Internet to watch movies and TV over the Internet, download pay-to-play music, online gaming and voice over the Internet activities.

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[1] Australian Bureau of Statistics, 2001 Census

"This announcement, which comes hot on the heels of the activation of the 200th DSLAM in Queanbeyan, New South Wales, demonstrates our commitment to the expansion of our next generation ADSL2+ network, to offer the fastest broadband speeds possible to Australian households," concluded Michael Malone.

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About iiNet
iiNet is one of Australia's Internet service pioneers, having begun in Western Australia in 1993. With the completion of the OzEmail acquisition on February 28, 2005, iiNet became the third largest Internet Service Provider in Australia, and currently has over 690,000 subscribers across Australia and New Zealand. iiNet has built a reputation for providing innovative, quality and value Internet products, and friendly 24-hour customer service and support. For more information on iiNet, please visit www.iinet.net.au or call 131917.

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