

22 December 2006

Interim Determination

ACCC Confirms Draft Determination

iiNet has been advised by the Australian Competition and Consumer Commission that a Draft Interim Determination issued in October this year for a Line Sharing Service (LSS) Monthly charge of \$3.20 has now been issued as an Interim Determination.

Receipt of the Draft Interim Determination was announced by the Company on 9th October 2006, with an expectation that the Draft would become an Interim Determination this half.

The LSS is a Declared Service and a key component of iiNet's award winning high speed broadband product line-up. It was the subject of an access dispute lodged with the ACCC in November 2005. Following this Interim Determination, the ACCC will consider all aspects of the dispute and issue a Final Determination during 2007.

The Final Determination will address other issues such as the backdating of any price adjustment.

The new rate of \$3.20, replacing the current \$9.00 per month, will now apply from 21 December 2006 until such time as a Final Determination is issued by the ACCC. iiNet has over 120,000 broadband services on LSS, meaning that the determination will reduce costs by approximately \$700,000 per month.

iiNet had expected the Determination and has incorporated the pricing adjustment in its advice to the market on 31 October 2006.

For further information, please contact:

Steve Dalby
GM Regulatory
08 9213 1371
sdalby@staff.iinet.net.au

Michael Malone
Managing Director
08 9214 2207
mmalone@iinet.net.au