

Key Finance Agreements

30 September 2009

Leading Internet provider Eftel Limited (**ASX: EFT**) today announced that it had completed further key financing negotiations following the release of its Preliminary Final Report of 31 August 2009.

A vendor facility has been refinanced and a new finance facility of \$0.9M from an investment syndicate has been secured.

The new structure further improves the company's balance sheet by confirming approximately \$1.75M of liabilities as non-current. These liabilities were being classified as current.

The investment syndicate is a partnership between outside parties and a number of company personnel, who are heavily committed to the company's future success.

In total, the company's current account position is improved by around \$2.5M. This is in addition to the \$2.5M improvement announced on 8 May 2009 and does not include the \$1.2M raised in the recent 1 for 2 non-renounceable Rights Issue.

Ahead of the release of the company's Annual Report due later today, CEO John Lane said that the management team has worked particularly hard to bring the company to this much stronger position. "A combination of new equity capital and longer term structured finance now brings the recapitalisation of Eftel much closer to where we would like to be to underpin the performance of the business this year. The focus of the entire team is now on revenue and profit growth."

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About Eftel

Eftel Ltd is a broadband network operator. Through ownership and partnership it provides access to Australia's sixth largest Broadband footprint. It has offices in Perth and Melbourne and operates a state-of-the-art Business Processing Centre located at Cyberjaya in the heart of Kuala Lumpur's Multimedia Super Corridor.

Eftel has several business divisions which utilise the company's network. These operations are wholesale, retail and corporate.

Eftel Corporate is among Australia's most reliable ISPs, offering tailored solutions to business and government clients throughout Australia. It is a preferred supplier of the Victorian Government.

Eftel Retail is a Top 10 Internet Service Provider offering a full suite of consumer Internet products. Its online brand **aaNet** is one of Australia's most popular broadband providers among industry opinion leaders, receiving high customer satisfaction ratings in both the PC Authority and Australian Broadband surveys.

Eftel Wholesale services a quarter of Australia's ISPs with a range of services including IP, co-locations, dialup ports and DSL Broadband.