ASX Release

The Manager
Company Announcements Office
Australian Stock Exchange
Exchange Plaza, 2 The Esplanade,
Perth WA 6000

Dear Sir/Madam

Significant International Capacity Supply Agreements – Letter of Intent & Memorandum of Understanding

2 October 2013: iiNet Limited (ASX: IIN) is pleased to announce the signing of a Letter of Intent and a Memorandum of Understanding with Hawaiki Cable Limited and SubPartners Pty Ltd respectively for up to 5.0Tbps of international submarine cable capacity.

Once completed the multi-year agreements increase iiNet's international bandwidth capacity and strengthens the ability to provide increased levels of content, applications and enhanced services in a cost effective manner in the move towards NBN. Both cables are expected to be ready for service in December 2015.

The agreements when finalised will diversify iiNet's international bandwidth capacity supply and provide sufficient capacity to meet forecast medium to long term capacity requirements including allowances for the recently completed acquisition of Adam Internet.

iiNet's Chief Executive Officer, Michael Malone, said of the signing, "As a leading carrier, the quality of iiNet's network infrastructure is paramount for us to maintain the level of service that our customers have come to expect. Spectrum ownership on submarine cables presents a unique and innovative opportunity for us to bring even more diversity to our international network, reduce average our ongoing costs per gigabyte and enhance our customers' experience."

– ENDS –

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About iiNet

iiNet is Australia’s second largest DSL Internet Service Provider and the leading challenger in the telecommunications market. Publicly listed and a member of the ASX 200, iiNet is valued at approximately $1 billion. We employ more than 2000 inquisitive staff across three countries – 80 per cent of whom are employed to directly service our 900,000 customers. We maintain our own super-fast broadband network and support over 1.7 million broadband, telephony and Internet Protocol TV (IPTV) services nationwide.

We’re committed to making it simple for all Australians to connect across both our own network and on the NBN. Our vision is to lead the market with products that harness the potential of the Internet and then differentiate with award-winning customer service.

A lot has changed since our CEO founded iiNet in a suburban garage back in 1993 and the broadband landscape continues to evolve. What hasn’t changed is our passion for the transformative benefits of the Internet and our commitment to helping Australians connect better.

Recent awards

A full list of current awards can be viewed at iiNet Awards
http://www.iinet.net.au/about/awards.html