



PLACEMENT TO RAISE UP TO \$1 MILLION

The Directors of pieNETWORKS Limited are pleased to advise that the Company has reached agreement to place up to 100 million new shares at 1 cent to raise \$1 million before costs.

The placement will be made to sophisticated investors pursuant to the terms agreed to at the recent General Meeting of shareholders where approval for the issue of up to 500 million shares was obtained.

The Company has recently taken possession of the first production run of 10 second generation Hotspot Webphones and these have been shipped to New Zealand for installation in Westfield's New Zealand shopping centres.

The funds will be applied to general working Capital for the ongoing roll out of the company's "Hotspot Webphone".

An Appendix 3B and cleansing statement will be released following completion of the placement.

For more information please contact:

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