

BROAD INVESTMENTS LIMITED
ACN 087 813 090

To: Australian Stock Exchange Limited

From: Broad Investments Limited

Date: 8 November 2005

Subject: Sale of Loss Making Division for \$100,000 Cash and Transfer of Future Liabilities

Broad Investments Divests out of its marginal wholesale fixed-line business to focus on retail operations and lucrative mobile phone content and business

The Directors of Broad Investments Limited (ASX: BRO) are pleased to announce that they have concluded the sale of the Company's loss making wholesale bundled fixed-line telephony business for a consideration of \$100,000 in cash and the transfer of all liabilities associated with the wholesale fixed-line and bundled equipment sales and service business to the purchaser, effective 31 October 2005.

The sale, limited only to the Company's wholesale business, frees up Broad Investments to focus on its retail client base and the lucrative and growing premium mobile content market through its acquisition of Glovebox and MTX Holdings.

Wholesale fixed-line telephony business has recently been subjected to reduced profit margins and dwindling customer base and negative growth, no different to the largest incumbent in the sector, that *recently announced in its 2005 result briefing that its land-line (PSTN-Voice) side of the business had a negative 3.4% (regressive) growth and would remain under pressure for 2006.*

This timely divestment by Broad Investment has not only provided an immediate injection of cash, but has reduced future liability associated with servicing, replacement and maintenance of equipment. Additionally, it is expected that monthly losses of \$20,000-\$25,000 associated with the wholesale operations will be eliminated, further improving the Company's performance for the current year.

Broad Investments Executive Chairman, Mr. Vaz Hovanessian, today said, "The new Board has gradually cleaned up the Company's Balance Sheet and the focus will now be to position Glovebox and MTX as the major player in the Premium mobile phone content market. With well over 13,000 retail outlets secured to offer our mobile content products, it is only a matter of time before we gain a sizable share of that lucrative market".

By Order of the Board
Broad Investments Limited

15 Whiting Street, Artarmon, NSW 2064
Postal: PO Box 162 Artarmon NSW 1570
Ph: 02 9425 0000 Fax: 02 9425 0099