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MEDIA / ASX ANNOUNCEMENT

OPTUS SOUL AND B DIGITAL EXPAND AND EXTEND RELATIONSHIP

Optus, Soul and B Digital announced today they had signed an agreement incorporating mobile services data transmission services and access to Optus' Unbundled Local Loop (ULL) network.

Firstly, the highlight of the agreement is an extension of the current mobile service provider agreement for a further three year period to the value of \$100 million per annum.

B Digital is currently a mobile telephony service provider offering various mobile products and services utilising the Optus mobile network.

Soul and B Digital have extended their existing wholesale agreements with Optus to include broadband services via Optus' ULL network and other services such as data and broadband transmission services. This will enable Soul to supplement its existing extensive regional access network with Optus network capability.

Mr Rob Millner, Chairman of Soul, said these agreements were further examples of industry participants electing to partner to utilise existing infrastructure rather than duplicate networks.

"Soul is a committed regional infrastructure provider. We believe this alliance with Optus will enable us to continue to invest in regional telecommunications and multi-media services in Australia whilst still having a capital city capability through the Optus alliance. We also retain the flexibility to invest in capital cities where it is prudent to do so."

This agreement highlights Soul's commitment to alliances which encourage the use of alternative, competitive infrastructure to the incumbent by utilising existing infrastructure and supporting investment in areas where competitive infrastructure does not exist.

Mr David Katz, Acting Managing Director of Optus Wholesale said: "Optus is a full service wholesale telecommunications provider – and we have enjoyed a long association with B Digital and the Soul Group of Companies. We are committed to competition and the investment in infrastructure to increase broadband in Australia and alliances such as these are an important building block."

Mr David Fairfull, Chairman of B Digital, said: "An extension of our mobile arrangements with Optus provides us with the security of a long-term partner with network ownership. At the same time these agreements enable B Digital to utilise Soul's network infrastructure. This will improve margins and product diversity for B Digital."



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About Optus

Optus is an Australian leader in integrated communications - serving more than six million customers each day. The company specialises in a broad range of communications services including mobile, local, national and long distance telephony, business network services, internet and satellite services and subscription television. In 2001, SingTel became the parent company of Optus, paving the way for Optus to become a strong and strategic telecommunications player within the Asia-Pacific region.

ABOUT SP Telemedia ("Soul")

S P Telemedia Limited (ASX Code: SOT) *trading as SOUL* is an innovative market leader in the IP telecommunications and multi-media market. Listed on the Australian Stock, Soul's entry into the market in 2000 was met with huge success in a relatively short period of time. Since its establishment, Soul has maintained rapid growth, proving itself to be a dynamic and significant force in the Australian telecommunications industry. Among other features of Soul's capability are:

- it has the largest fully converged voice, video and data IP based access network in regional Australia
- it has the largest voice enabled IP network in Australia
- a 46% interest in B Digital Limited, making it the largest mobile telephony reseller in Australia and servicing in excess of 500,000 consumer telco services
- it owns Australia's highest rating television station, NBN Television

These capabilities enable Soul to deliver IP based broadband products and services, whether voice, video or data, end to end through to the "last mile" on a fully converged network throughout metropolitan, regional and rural Australia.

About B Digital (ASX: BBB)

Since its inception in 1999, B Digital has grown both organically and with the acquisition in 2003 of Digiplus, to become one of Australia's most successful full service telecommunications resellers. Today, B Digital provides approximately 500,000 active services to mainly residential customers in Australia and New Zealand. Immediately prior to the Digiplus acquisition the company provided around 285,000 services. On 30 November 2004, B Digital entered into a heads of agreement with SP Telemedia limited ("SOT") pursuant to which it agreed to finalise formal agreements to acquire 100% of Kooee and 50% of SPTCom (the owner of the business previously conducted by the Former Comindico Group).
