



People Telecom Signs New Telstra Wholesale Agreement

Monday, December 05, 2005: People Telecom Limited (ASX/NZX PEO) today announced it had signed an agreement for the provision of fixed wire and internet services with Telstra Wholesale.

The agreement, which includes the provision of fixed wire voice services and Broadband ADSL services, commenced on 1 December, 2005.

Chief Executive Officer of People Telecom, Mr Ryan O'Hare, said today this milestone agreement cemented People Telecom's ability to compete effectively in an increasingly competitive - but growing - market.

"People Telecom first became a Telstra Wholesale customer more than five years ago. Our customer experience led to us choosing Telstra Wholesale as our supplier of first choice for the past three years, and now, into the future," he said.

"We chose Telstra Wholesale for this multi-million dollar supply agreement because of its unique service offerings and competitive wholesale tariffs."

Group Managing Director, Telstra Wholesale, Ms Deena Shiff said today: "Telstra Wholesale is committed to delivering great service to our customers, and to continuing to improve our service, so that choosing us over our competitors continues to be an easy choice to make."

"Telstra enjoys a great relationship with People Telecom, and this agreement demonstrates our long term commitment to the delivery of quality services in the wholesale market," she said.

Mr O'Hare said: "While we work closely with our wholesale partners, we are pleased to see that Telstra Wholesale can deliver great relationships during these times of change and continue to support its valued customers."

About People Telecom:

One of Australia's largest telecommunications groups, People Telecom offers a comprehensive range of telecommunications products and services for businesses in Australia.

The group is a leader in service within the telecommunications landscape, offering high customer service levels accompanied by a full suite of standard and cutting edge telecommunications products such as fixed wire, mobile and data including broadband and Voice-Over Internet Protocol (VoIP).

Over the five years period the group has been in telecommunications, the group has grown dramatically. In the 2005 financial year revenues reached \$100 million and its bottom line profit significantly improves year on year.

For further information, please visit <http://www.peopletelecom.com.au> or contact:

Ryan M. O'Hare
Chief Executive Officer
People Telecom Ltd
(02) 9458 5821
0415 888 500
ryan.ohare@peopletelecom.com.au

Kazim Reza
Chief Operating Officer
People Telecom Ltd
(02) 9458 5803
0403 096212
kazim.reza@peopletelecom.com.au