

MEDIA RELEASE

iiNet comes together with Westnet

8 May, 2008 - iiNet Limited (ASX: IIN) today announced the signing of an \$81 million agreement which will see the acquisition of internet service provider (ISP) Westnet.

The acquisition of Westnet (Australia's sixth largest ISP) reinforces iiNet's position as the third largest ISP in the country and a serious competitor in the nation's telecommunications environment.

"This transaction brings together two of Australia's best loved ISP brands," said Michael Malone, Managing Director of iiNet. "iiNet brings a good history of innovative products and technology, which we can also expect to be able to share with the Westnet team."

Westnet will continue to run as a separate operating entity. The two ISPs will work alongside each other in knowledge share and expertise which will lead to an increased overall level of service to both iiNet and Westnet customers.

"Both Westnet and iiNet have always focused on genuine plain speaking customer service, seeing that as the only really substantial differentiator in our business. Westnet has consistently set the benchmark for service in our industry, and I look forward to learning how we can improve iiNet's service further," said Michael Malone.

Managing Director of Westnet, Peter Brown, commented "Westnet has worked very hard over a long period of time to build its reputation of award winning customer service. This opportunity allows the company to continue that same level of customer service and also offer many new products to our agents and customers."

Both iiNet and Westnet will be pushing forward with *business as usual* on all fronts. Westnet's staff and management will continue to operate as normal, supporting existing products and services under the Westnet brand.

"As all staff, including senior management, are staying on, we see little change in our operations and consider this as a great opportunity for both our customers and staff. We look forward to the future with confidences that we can provide a unique service to our customers from both ISPs," said Peter Brown.

With Westnet's 215,000 active services, including 138,000 broadband users, iiNet's total number of active services will grow to over 680,000, including over 470,000 dialup and broadband subscribers. The combined subscriber bases will give iiNet a market share of over 30% in the State.

A media release from Westnet on the acquisition can be viewed at <http://www.westnet.com.au/internet/about/media/>

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About iiNet

iiNet is one of Australia's Internet service pioneers, having begun in Western Australia in 1993. Now Australia's third largest ISP, iiNet has built a reputation for providing innovative, quality and value Internet products, and friendly 24-hour customer service and support. For more information about iiNet, please visit www.iiNet.net.au or call 131917.

About Westnet

Westnet is an award winning ISP with a business model driven by customer service. Over three quarters of its 553 staff are employed in roles dedicated to customer service. Westnet currently serves approximately 200,000 members across a range of internet access, phone, hosting, email, email protection products. For more information about Westnet, please visit www.westnet.com.au.

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