

AUSTRALIAN STOCK EXCHANGE RELEASE

FRESHTEL EXPANDS HANDSET RANGE FOR MOBILE PRODUCT
Tesco Talk Wi-fi now compatible with 10 Nokia handsets

Melbourne, Australia, Tuesday, 20th January 2009: Freshtel Holdings (ASX: FRE) has announced that UK retailer Tesco has expanded the range of handsets compatible with Tesco Talk Wi-fi, its mobile internet telephony solution, increasing accessibility to the product.

Tesco Talk Wi-fi, which allows users to make free or cheaper calls over the internet using their mobile handset, is now available on 10 Nokia Wifi enabled handsets: E51, E65, E66, E71, E90, N81, N81 GB, N82, N95 and N95 8GB.

Rhonda O'Donnell, CEO of Freshtel Holdings said expanding the range of handsets will help make Tesco Talk Wi-fi more accessible to a greater number of customers.

"We are working continually to increase the range of handsets for Tesco Talk Wi-fi and increase its mass market appeal. Our aim is to have penetration across a range of handsets that cater to varying segments of the market; from the budget conscious to the frequent business traveller, who will have different reasons for wanting to use Tesco Talk Wi-fi.

Sean Wilkins, Commercial and Finance Director of Tesco Telecoms said, "Extending the range of handsets that Tesco Talk Wi-fi is available on will make this service accessible to a wider market.

"Tesco Talk Wi-fi is an example of Tesco taking a leading edge technology and making it great value, accessible and easy to use. Keeping call costs down has never been more important, particularly at this time when people are seeking out ways to save costs."

Freshtel has announced that it will shortly be releasing a BETA version of the mobile application to work with the Apple iPhone.

Freshtel Mobilelink, which is the mobile internet telephony solution for Australian customers is now also compatible with the extended range of Nokia handsets.

-ENDS-

About Freshtel Holdings

Freshtel Holdings Limited (ASX:FRE) is an Australian internet telephone technology company that develops and markets VoIP telephony products and services. Freshtel Holdings Limited offers end-to-end white label VoIP solutions to wholesale customers globally through its wholly owned subsidiaries, Voicedot Networks and Virbiage and has a direct-to-market retail channel through Freshtel's retail site.

Freshtel Holdings: www.freshtelholdings.com

Voicedot Networks: www.voicedot.com

Freshtel retail: www.freshtel.net

Tesco internet phone: www.tescointernetphone.com

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