



Sydney, Australia, 27 July 2005: Freshtel Holdings (ASX: FRE) has today announced the opening of its US headquarters in Fort Lauderdale, Florida. The new headquarters will lead and direct the roll out of Freshtel's Voice over Internet Protocol (VoIP) products and services in the United States.

The opening of the US office follows Freshtel's European office opening in May this year and continues the global commercialisation of Freshtel Holdings 'Triple Play' VoIP solution of hardware, software and networks.

Michael Carew, CEO of Freshtel Holdings said: "The US is a prime source of growth for Freshtel and the establishment of our US HQ is a fantastic milestone in the company's global commercialisation. We have achieved the next step in our business strategy, and we will seek to explore and advance the vast opportunities in the US VoIP market."

The US is a huge potential market opportunity for Freshtel from both a wholesale and retail sales perspective. According to telecommunications researchers at The Budde Report, VoIP will account for over 12% of all telephony revenues by 2009, contributing \$32 billion to a total worldwide telephony market of \$260 billion.

The deployment of Freshtel's VoIP solution in the US will form a 2 phase strategy. Phase 1 is already underway with the development and construction of the Freshtel VoIP network. Phase 2 will consist of establishing key partnerships with original equipment manufacturers (OEM), Internet Service Providers, US retailers, and any consumer driven business who wish's to offer VoIP to their existing customer base.

Don Fowler has been appointed to President of Freshtel in the Americas and will spearhead operations and the roll out of Freshtel VoIP. Mr Fowler has a strong background in telecommunications and has joined Freshtel from leading US VoIP provider Voiceglo.

Mr Fowler commented: "US consumers are very intelligent in terms of new technologies, especially VoIP. VoIP has been aggressively marketed here in the US and this has increased understanding and acceptance of the technology - this is an ideal platform for Freshtel to launch from as well as capture a large share of the market."

"We're very excited to have Don on the team and look forward to connecting with Don's existing network and other key US partners in the near future," said Mr Carew.

About Freshtel Holdings

Freshtel Holdings Limited is an Australian Internet Telephony company that develops and markets VoIP (Voice over Internet Protocol) telephony products and services. Freshtel Holdings Limited comprises three separate channels, Freshtel, Virbiage and Voicestream and an internal research and development (R&D) arm. Freshtel Pty Limited retails VoIP services using the Firefly softphone here in Australia and worldwide.

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