

Media Release

NEW FRESHTEL CALL PLAN MAXIMISES VOIP SAVINGS

Sydney, Australia, 10 August 2005: In a review of its VoIP call plans, Freshtel Holdings (ASX: FRE) has today launched its new Freshtel \$5.95 call plan.

The \$5.95 monthly call plan enables customers to access Freshtel's Firefly software and network with added lower rate call credit. The new call plan is designed as an ideal entry point for first time users and will maximise cost savings for existing customers.

Michael Carew, CEO, Freshtel Holdings said: "We wanted to return to the core essence of what VoIP brings to the consumer, 'More call value than traditional telephony services'."

Freshtel's \$5.95 monthly VoIP plan includes:

- \$6 calling credit
- 10 cent flat rate calls to Australian capital cities
- Cheap calling rates to international destinations
- Free Firefly to Firefly calls

The Freshtel \$5.95 monthly call plan is the lowest fixed monthly VoIP call plan in the Australian market and is designed to provide customers with even better value for money, as the monthly payment is matched in call credit."

Mr Carew stated: "We are committed to ensuring our customers receive the best possible solutions and value benefits of VoIP. VoIP technology already has inherent cost savings and we are able to provide even greater value to our customers.

It is fantastic that we can offer such a great deal to our customers and we will continue to offer cost saving benefits in the future."

Freshtel continues to develop a full range of call plans which will be rolled out to customers during the year.

To launch the call plan Freshtel also unveiled its new website with improved account information delivery. Existing customers are able to easily upgrade to the \$5.95 plan via Freshtel's website at www.freshtel.net

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.

For media inquiries:

Abbie Ferdinando
Buchan

For investor relations inquiries:

Lorraine Robinson
Flexpertise

Ph: 02 9237 2802 \ 0415 428 492
E: aferdinando@bcg.com.au

Ph: 03 9815 2388 \ 0417 131 114
E: lorraine.robinson@flexpertise.com.au