



Monday, 19 March 2007

Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

**PIE000148 - Notice of change of interests of substantial holder**

Please find attached a Form 604 "*Notice of change of interests of substantial holder*" for Mr Peter Gunzburg. It should be noted that there has been no change in the number of shares held by Mr Gunzburg (and his associates). A change of relevant interest, as defined by the Corporations Act, has occurred as a consequence of the release of a security interest as described in the attached notice.

Yours faithfully,

A handwritten signature in black ink, appearing to read "C Ferrier", written over a light grey rectangular background.

Craig Ferrier  
Company Secretary

**FORM 604**  
Corporations Act 2001  
Section 671B

## Notice of change of interests of substantial holder

To Company Name/Scheme pieNETWORKS Limited

ACN 078 661 444

### 1. Details of substantial holder (1)

Name Peter Lynton Gunzburg

ACN (if applicable)

There was a change in the interests of the substantial holder on 15/03/07

The previous notice was given to the company on 04/02/05

The previous notice was dated 04/02/05

### 2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary	33,722,725	14.17% (up to 19.9%) see annexure 1	23,885,334	10.00% (up to 13.96%) see annexure 1

### 3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected %
		see annexure 1			

### 4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
		see annexure 1			

## 5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN (if applicable)	Nature of association
N / A	

## 6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
	see annexure 1

## Signature

print name: Peter Gunzburg capacity: Substantial Shareholder  
 sign here date: 19/03/07

## DIRECTIONS

- (1) If there are a number of substantial holders with similar or related interests relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Law.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Law.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances by which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Law.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

# ANNEXURE "1"

## pieNETWORKS Limited

ACN 078 661 444

### 3. Changes in relevant interests

Date of Change	Person whose relevant interest changed	Nature of change <sup>(1)</sup>	Consideration given in relation to change	Class and number of securities affected	Persons votes affected
4-May-05	Peter Gunzburg	On 2 February 2005 pieNETWORKS issued 800,000 ordinary shares for nil consideration to employees (excluding the substantial holder)	-	ordinary shares 800,000	-0.03%
13-Mar-07	Peter Gunzburg	Off market transfer from Trovex Pty Ltd (entity controlled by P Gunzburg) to P Gunzburg	N/A	ordinary Shares 10,152,667	0.00%
14-Mar-07	Peter Gunzburg	Shares issued on conversion of options (by persons other than the substantial holder)	-	Ordinary shares 200,000	-0.01%
15-Mar-07	Peter Gunzburg	Release of security interest over shares held by Mr R McBrier	-	Up to 9,691,317 refer note 1 below	Up to 4.06%

(1)

Pursuant to an agreement to extend the date of repayment of the loan agreements dated 22 March 2000 (in relation to loans made to entities associated with Mr Campbell Smith and Mr Robert McBrier (the "Borrowers")), as security for their indebtedness, the Borrowers have acknowledged that until the repayment of all monies outstanding, the Borrowers hold the Relevant Shares (being such number of shares determined in accordance with the extension agreements) on trust for the lender. The extension agreement provides that the number of Relevant Share's, together with shares held by the Lender (Mr Peter Gunzburg) directly shall not exceed 19.9%. On 15 March 2007, the security interest over shares held by Mr Robert McBrier was released following repayment of amounts owing under the loan agreement.

Having regard for the number of Shares controlled by the remaining Borrower and the present market price, the relevant interest (within the meaning of section 608 of the Corporations Act) in pieNETWORKS shares held by Mr Peter Gunzburg as at the date of this notice is 23,885,334 Shares equating to 10.00% of the issued capital.

The actual number of Relevant Shares and therefore the substantial shareholders relevant interest in pieNETWORKS shares at any time will depend on the number of shares held directly (presently 22,505,334 ordinary shares), the amount of money owing under the loan agreement, the number of shares held by the Borrower and the market price of the shares in pieNETWORKS limited on ASX. The maximum potential interest as at the date of this notice is 13.96%.

#### 4. Present relevant interests

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and number of securities <sup>(3)</sup>	Persons Votes
P Gunzburg P Gunzburg	Peter Gunzburg <ATF The Bricklanding Super Ac> CD Smith & Gocom Pty	N/A registered holder	See note 2 See note 1, 2	22,505,334 up to 10,854,131	22,505,334 up to 10,854,131

(2) Each of the registered holders of shares are entities in which Peter Gunzburg controls the exercise of, or can influence the exercise of the voting powers or disposal of the securities. The maximum number of shares over which such influence exists has been disclosed, although as noted above the relevant interest is dependent upon the actual amounts owing under the loan agreements and share price for the Company's securities on any given date.

(3) All details shown are in respect to ordinary shares.

#### 5. Addresses

Name	Address
Trovex Pty Ltd	C/-43 Bay Road, Claremont, Western Australia
P Gunzburg	43 Bay Road, Claremont, Western Australia

This is annexure "1" of 2 pages referred to in form 604 – Notice of Change if Interests of Substantial holder signed by me and dated.

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Peter Gunzburg

Date