



COMPANY TRANSFORMATION STRATEGY BOARD & MANAGEMENT CHANGES

In line with the Company's 'Transformation Strategy' and following on from the launch of our Hotspot Webphone, the recently announced trial contract with Telecom New Zealand and continuing advanced discussions with other potential customers in the telecommunications ("telco") industry, the Company accelerates its transformation to a 'telco supplier' with the following changes to its human resources.

The Company announces the resignation of Technical Director, Mr Robert McBrier with effect from today. The Board wish to acknowledge the significant contribution made by Mr McBrier to the development of the Company during his time as a director. Mr McBrier is a founding shareholder and has been a director of the Company since its inception in 1997. The Board wishes Robert every success in his future endeavours.

Consistent with the Company's stated strategy of developing and supplying products and services to the telecommunications industry the Board is pleased to announce two senior management appointments.

Mr Stewart Snell has been appointed as Chief Operating Officer and Mr Peter Barrow as Product Development Manager. Messrs Snell and Barrow between them have in excess of 35 years 'telco' experience.

Commenting on the appointments, the Company's Managing Director Mr Campbell Smith said "pieNETWORKS is extremely fortunate to have people of the caliber and experience of Stewart and Peter available to manage the implementation of our current business strategy."

More information on Mr Snell and Mr Barrow is available on the Company website.

<http://www.pienetworks.com/about/people.htm>

For more information please contact:

pieNETWORKS Ltd
Campbell Smith
Managing Director
+61 8 9444 9088
cam@pienetworks.com

About pieNETWORKS Limited:

pieNETWORKS develops and operates managed public internet access and VoIP telephony infrastructure. The company's customers include telcos, government and large and medium size businesses. pieNETWORKS is listed on the Australian Stock Exchange (ASX:PIE).

More information can be found at www.pienetworks.com