

**SWIFTEL LIMITED**  
**ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**3.00PM SYDNEY, TUESDAY NOVEMBER 25<sup>TH</sup> NOVEMBER 2003**

**CHAIRMAN'S ADDRESS**

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Fellow shareholders, ladies and gentlemen, I welcome you all today to the first AGM held in Sydney and report that your company has made solid progress in the context of a rapidly expanding and competitive market environment. As I summarise our company's progress over the past year, I would like to remind every one today that we are only into our third full year of operation as a licensed telecommunications carrier and having started with one of the most modest working capital bases in the industry.

Your company has in a relatively short time built a very efficient and leading edge telecommunications network and laid the foundation for much of the growth and progress we are starting to realise.

Over the past year, your company expanded its geographical business reach to Sydney, Brisbane and Melbourne, and now have established the company's headquarters in Sydney. As now more than 70% of all revenues emanate from NSW and Victoria.

We also expanded our product and service offering to our customers, including Broadband DSL. The Company's Broadband Division has led the way with above budget growth. We launched the service earlier this year with the ambitious goal to capture 7,000 new customers by the end of December 2003. We achieved this target two months ahead of schedule and we are on target to beat the original goal by more than 4,000 customers. This would be some 57% ahead of target in that business. It is important to note that this growth has taken place against a background of a first class customer service whilst we were establishing a presence in Sydney.

Our top line sales revenues have been increasing in line with increased customer capture and retention. Last year our top line sales grew by 300% to \$4.8 million. Our current monthly top line sales is now exceeding \$1 million and in the past three months we have seen this reflected in positive EBITA.

The increases in product and service offerings, customers and top line sales have been accompanied by first class customer service and support. The management, staff and our industry consultants have done an outstanding job in this area and are to be congratulated.

During the year the board was bolstered and strengthened by the inclusion of Adrian Paul, Colin Marland and Malcolm Dick. These gentlemen brought with them a welcome mix of energy, corporate, strategic and industry experience.

The market has in recent times responded positively to our reported progress with an improving share price and significantly improved share trading volume. Our capitalisation has increased from around \$5 million this time last year to around \$20 million.

The telecommunications industry remains competitive and over the past two years we have seen a number of companies falter or fall over. It is pleasing that against this backdrop your Company has, with relatively modest resources, succeeded to grow at a faster rate than the industry average. And we aim to continue with this type of performance by a mix of optimal product and service offerings and customer service.

The success that we are starting to experience is a result of the commitment, energy and enormous amount of work that your management and staff have put in. In closing, I would like to thank our CEO Chris Gale and all his team for their outstanding efforts during the year. I would also like to thank my fellow directors for their support. Thank you.