

AUSTRALIAN STOCK EXCHANGE RELEASE

**FRESHTEL INKS DEAL WITH CALL CENTRE SPECIALISTS
QUANTUM MULTIMEDIA COMMUNICATIONS
QMC call centres to generate outbound calls over the Freshtel network**

Melbourne, Australia 11 August 2008: Freshtel Holdings (ASX:FRE) has signed a deal with Quantum Multimedia Communications (QMC trading as Link:Q), one of Australia's largest contact management and outsourced call centre specialists, who will now generate outbound calls to mobiles over Freshtel's Voicedot network.

QMC will generate a significant amount of voice traffic over the Voicedot network at a special negotiated rate. This new wholesale service offering will provide a new source of ongoing call time revenue to Freshtel.

Rhonda O'Donnell, CEO of Freshtel said this agreement is an important win for Freshtel as it will deliver additional revenue, but just as importantly it demonstrates that internet telephony is a viable option for businesses looking to reduce their operational costs.

Hardianto Kamarga, CEO of QMC said by partnering with Freshtel, QMC is extremely confident that this will allow it to enhance and expand its current services for its clients in the foreseeable future, by ensuring that it partners with the best VoIP services provider in Australia.

"QMC has an excellent reputation in the call centre industry and was recently awarded the 'Best Outsourcing Partnership 2008 for Asia-Pacific' in the Contact Centre World Awards 2008 held in Sydney, but obviously we need to ensure that our telephony network offers outstanding quality at all times. The fact that QMC is choosing to place its outbound calls over Freshtel's network is a validation of the reliability and security of our network.

“The deal also delivers great cost and operational benefits for QMC as we’ve tailored an offering that provides competitive call rates, ongoing monitoring of the network and pro-active support to ensure high call quality at all times.”

Ms O'Donnell said that while Freshtel had traditionally pursued its white label business model, it had expanded its focus to explore internet telephony solutions for corporates.

“Solutions for business, such as this deal with QMC, represent a new and significant opportunity for Freshtel that will complement the new offerings we have in the pipeline such as our converged mobile technology. We have a superior business grade network and the resources in place to quickly deploy bespoke solutions for a range of companies, so it makes sense for us to look to corporates as potential new customers.”

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About Freshtel Holdings

Freshtel Holdings Limited (ASX:FRE) is an Australian internet telephone technology company that develops and markets VoIP telephony products and services. Freshtel Holdings Limited offers end-to-end white label VoIP solutions to wholesale customers globally through its wholly owned subsidiaries, Voicedot Networks and Virbiage and has a direct-to-market retail channel through Freshtel’s retail site.

Freshtel Holdings: www.freshtelholdings.com

Voicedot Networks: www.voicedot.com

Freshtel retail: www.freshtel.net

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