

FRESHTEL LAUNCHES NEXT EVOLUTION IN VOIP SOFTWARE - FIREFLY 2 -

Sydney, Australia, 18th November 2005: Freshtel Holdings (ASX: FRE) has today launched the new Firefly 2 softphone – the next evolution in Freshtel’s VoIP technology.

Firefly 2 is a new VoIP (Voice over Internet Protocol) software application which enables users to access and make VoIP telephone calls from their PC. Firefly 2 features significantly enhanced capabilities and specifically a simpler, easy to follow user experience through step by step directions and ‘wizard’ type tools.

Freshtel’s R&D arm redeveloped the Firefly software to create an improved VoIP solution in response to customer focus group feedback. Firefly 2 also provides the right platform for Freshtel to integrate additional features in the future, as the R&D team continues to develop and roll out new VoIP technologies.

Michael Carew, CEO, Freshtel Holdings said: “The response from our customer focus groups was that they often didn’t recognise the total capabilities of our Softphone application. It has therefore been our vision to create an interface that is even more user friendly and responds to our customer needs, and Firefly 2 delivers that.

Firefly 2 is a crucial component of our total VoIP solution, which delivers an improved customer offering for our reseller partners and the capability to increase their selling success.”

Firefly 2 is the first retail example of the Virbiage softphone application – Cubix. Virbiage is a wholly owned subsidiary of Freshtel Holdings which manufactures and resells VoIP software and hardware to wholesale clients. All Virbiage products are available to be re-branded under OEM license agreement.

Mr Carew added: “Virbiage’s Cubix software now joins the Virbiage 3010 ATA (Analogue Telephone Adapter) launched earlier in the year, creating an attractive VoIP solution to the retail channel and a stand alone OEM business model.”

Firefly 2 is available direct to new and existing users at www.freshtel.net. Information regarding Virbiage products can be seen at www.virbiage.com. Details of Firefly 2’s new capabilities and user benefits can be viewed on the attached table.

About Freshtel Holdings

Freshtel Holdings Limited is an Australian Voice Over IP (VoIP) 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, Voicestream Network and Virbiage and has a direct-to-market retail channel through www.freshtel.net

For investor relations inquiries:

Peter Warner
Commercial Director
Freshtel Holdings
Ph: 02 8448 8104 \ 0418 968 086
E: peter.warner@freshtelholdings.com

For media inquiries:

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