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## SPIRIT ANNOUNCES ACQUISITION OF BUILDING CONNECT AND EXPANDS FOOTPRINT IN SYDNEY MARKET

### Highlights

- Acquisition of 100% of Building Connect for Enterprise Value (EV) of \$300,000
- Extends Sydney network across 31 buildings / business parks
- Immediate geographic expansion into Western Sydney
- Complimentary management skills and office to manage NSW expansion, including the recent LinkOne Sydney assets
- Strategically compelling network acquisition servicing over 200 business customers in key business parks, spread mostly in the North and North western areas of Sydney.
- Integrates sites from the LinkOne acquisition and Building Connect into one expanded Sydney network

### Acquisition of Building Connect

Spirit has entered into an agreement to acquire 100% of Building Connect for consideration of:

- EV of \$300,000 paid in scrip
- 70% escrowed
- Scrip price at 15 cents
- The Company will utilise its capacity under ASX Listing Rule 7.1 for the Vendor script

The acquisition of Sydney based Building Connect is the second Spirit acquisition in the last month. This acquisition will provide significant opportunity for Spirit to continue to expand its wireless network in Sydney, enabling more businesses in Australia's fastest growing economic region of Western Sydney to access its high-speed Sky-Speed Internet range.

### About Building Connect & transaction rationale

- Established in 2013, Building Connect is a wholesale licensed telecommunications carrier operating a predominantly fixed wireless network.
- Services over 200 business customers in a number of key business parks spread throughout mostly the North and North Western areas of Sydney.
- Services include 100Mbit/s + data services
- Key customer bases will be used to further expand across Western Sydney with the Spirit Sky Speed range.
- Will allow Spirit to spread its high-speed data and voice offering across business parks in Western Sydney.
- Integrates sites from LinkOne acquisition and Building Connect into one expanded Sydney network.
- Provides an office, warehouse and team based in Sydney
- The acquisition of Building Connect is earnings accretive.

Spirit's Managing Director, Geoff Neate said, "The acquisition of Building Connect brings to Spirit another instant accretive expansion into Sydney and will greatly contribute to Spirit's growth, particularly Western Sydney which accounts for 47% of Sydney's population and produces 31% of its gross regional product. With this growth, businesses need reliable high-speed Internet to access new capabilities, enter new markets, improve their technology and Spirit's Sky-Speed business Internet range will greatly assist underserved areas of this commercial region."

Building Connect CEO, Paul Julian said, "This is a great opportunity to take Building Connect to a new level. The synergies between our respective networks enable an immediate upside for our partners and customers. Building Connects network, with the recently acquired LinkOne network, create a significant business grade network which will cover the greater Sydney metropolitan area. From here I am looking forward to working as a key part of the Spirit team to grow what I started in 2013."

Spirit expects the Building Connect acquisition to close in early June 2019, subject to the satisfaction of customary closing conditions.

### About Spirit

Internet Service Provider, Spirit Telecom Limited (Spirit), is Australia's leading alternative to the NBN, providing super-fast Internet speeds through the air, ensuring over 7,500 business and residential customers can stream, game, work and connect without disruption.

The ASX listed (ST1) company owns its advanced fixed wireless network, delivering symmetrical speeds of up to 1Gbps for business and 500Mbps to residential consumers - that's over 16 times quicker than the national average. It's the Internet that Australia deserves.

Spirit is built on an ethos of being different to be better. Its fixed wireless network is built for speed right to end users in more than 500 buildings around Australia. Additionally, it offers a range of cloud solutions and unified communications services.

Spirit provides industry-leading services and is continually expanding to meet demand, both organically and through acquisitions, which have recently included LinkOne Group, Voxcom, My Telecom, Phone Names and World Without Wires. With these companies on board, Spirit is prepared for future growth that is powered by its super-fast Internet.

For more information, please visit [www.spirit.com.au](http://www.spirit.com.au)

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