

AUSTRALIAN STOCK EXCHANGE RELEASE

**FRESHTEL SIGNS OEM SOFTPHONE LICENSING AGREEMENT WITH
CONCEROTEL**

Melbourne, Australia, Wednesday 22 April 2009: Freshtel Holdings' (ASX:FRE) fully owned wholesale arm Voicedot Network's today announced the signing of a OEM (Original Equipment Manufacturer) licensing agreement that allows Concerotel Pty Ltd to re-brand Freshtel's PC and MAC OS X Softphone – the software application that allows users to make VoIP calls from their computer. This will be initially targeted at Concerotel's customers in the Pacific Islands and Indian Ocean regions.

Concerotel provides VoIP services via fibre and satellite connections to customers in the Pacific, African and Indian Ocean regions, including countries such as Fiji, Vanuatu and New Caledonia. Its sister company Pacific Teleports is one of the major telecommunications providers in this region.

The agreement is in keeping with the company's new wholesale business strategy to allow other third party telecommunication and VoIP providers to use Freshtel's softphone, calling card and mobile applications on their own network, subject to them taking out a licence.

Concerotel will pay Freshtel an up-front fee and ongoing annual maintenance fees for access to a customised softphone application to provide to Concerotel subscribers.

As Concerotel already has its own VoIP network this is different to white label deals that Freshtel has with other customers such as PTCL (Pakistan Telecommunications Company Limited) and Tesco, where Freshtel provides the back-end network infrastructure for calls and billing systems as well as the user interface to make a call.

"Concerotel wanted an easy to use interface, to help our customers make VoIP calls with ease, Rather than develop one ourselves we chose to licence Freshtel's Softphone which is regarded as one of the best in the industry," said Mark Sprey, CEO of Concerotel.

Rhonda O'Donnell, CEO of Freshtel Holdings said: "We announced in March that Freshtel had developed a mobile VoIP application that we are licensing to third party telecommunications and VoIP providers, and in keeping with this strategy, we have now developed a version of our Softphone and calling card solutions for licensing to providers with an established network.

"Our technology is a commodity which can be marketed to other providers enabling us to tap into the very lucrative global licensing market and complements our existing white label offering. We are very pleased with the level of enquiry to date with regard to licensing our technology and discussions with other global VoIP and telecommunications providers are under way."

-ENDS-

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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