

2008 Continues Strong Growth & Delivers Increased Profits

Appendix 4E and Annual Financial Report

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- Tel.Pacific's continued expansion both in Australia and New Zealand drives profitable growth
 - Financial Year 2008 accounts deliver:
 - Revenue increased to \$47,420,107
 - EBITDA increased to \$4,804,279
 - Net profit after tax for continuing operations increased to \$2,929,568
 - Substantial growth in operations
 - International minutes increased to 874 million, over 31% growth for the year
 - Brands under management grew from 30 to 100
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Tuesday 26 August 2008: The Board of Tel.Pacific Limited (ASX:TPC) today released both its Preliminary Final Report (Appendix 4E), and Annual Financial Report setting out the audited full year results for the Company for the 2008 Financial Year, delivering yet another year of solid revenue growth and profits.

2008 Results at a glance (compared to 2007 pro-forma)

Revenue	\$47,420,107	Up 30%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	\$4,804,279	Up 20%
NPAT (Net profit from continuing operations after tax attributable to members)	\$2,929,568	Up 29%

During the year, the Company continued its organic growth path delivering a 17% increase.

In addition, the Company successfully completed two substantial acquisitions:

- On 20 November 2007 Tel.Pacific acquired the business of C2 communications which included brands such as Click, South Asia, Click Africa, No Bull, True Time, Compass, Snap, My World, Sweet Talk and Click Vietnam.
- On 20 June 2008 Tel.Pacific acquired the business of Pre Paid World which included brands such as Lite, Kooky, Moon Lite, Spicy, Cactus, Kurry, Ice, Sweet Deal, Bonsai, Bonjour, Lebanon Forever, City Chat, Ten Dollar and Five dollar.

During the year, the Company also met the following key milestones:

- Integrated successfully the acquisitions made during the year
- Expanded the business into New Zealand delivering annual revenues of \$1,220,461 and growing
- Greater than 31% growth in overall minutes switched
- Secured new head office premises to house and support the company's further growth

2009 Outlook

The company looks to continue the expansion of its core business in Australia and New Zealand and will review options to expand into other Asia Pacific markets, through organic growth of the established operations, as well as through further acquisitions where they meet the stringent criteria imposed by the Board.

In addition, the company will continue to explore opportunities to build on its pre-paid business by launching complementary pre-paid telecommunications products through its extensive retail network.

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About Tel.Pacific

Established in 1996, Tel.Pacific is a significant participant in the Australian communications market. The Company's core business centres around the provision of pre-paid telephony products and services through extensive distribution networks.

Since its establishment Tel.Pacific has experienced strong and sustained revenue growth. Tel.Pacific sees continued growth opportunity in its pre-paid calling card business and intends to further expand its business activities in this area as part of its long-term growth strategy.

Tel.Pacific's core product line comprises more than 100 brands of low cost pre-paid calling cards mainly used for international telephone calls to over 230 countries and regions. The Company's portfolio includes the well known Hello, Joy and GPS brands.