

Media Release

AFACT claims novel, adventurous and dramatic extension of existing law

7 October 2009 - iiNet began its defence in the Federal Court copyright case today with its barrister, Richard Cobden SC, commencing his opening statement.

Mr Cobden told the Court the film and television studios' claims were a novel and adventurous proposition and a dramatic extension of the application of existing law.

Mr Cobden said iiNet had no duty or obligation to threaten its customers with disconnection, suspension or limiting internet accounts simply because a third party, Australian Federation Against Copyright Theft (AFACT) had made an allegation of copyright infringement.

He detailed to the Court how claims made yesterday that thousands of copyright infringements has occurred were artificially inflated by a contrived process.

Mr Cobden reinforced that iiNet does not support, or encourage, breaches of the law, including infringement of the Copyright Act.

In fact there is no evidence that any actual iiNet customer breached the Copyright Act.

In response to claims that high volume internet users were illegally downloading materials, Mr Cobden detailed a wide range of legal and legitimate uses for uploading and downloading material using the internet, including watching movies from the film and televisions studios' own websites.

Mr Cobden is expected to continue his opening statement tomorrow before AFACT calls its first witness.

- ENDS -

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About iiNet

iiNet was established in 1993 and listed on the ASX in 1999, growing from a small Perth business into the third largest Internet Service Provider in Australia. The Company now supports over half a million broadband, telephony and dial up services nationwide, with revenues of over \$400m, and proudly employs around 1300 people in Perth, Sydney, Auckland and Cape Town.

iiNet's goal is to lead the market with the best internet access products and then differentiate with genuine, plain speaking customer service. The company has its own high speed ADSL2+ network reaching around 4 million households across Australia, the largest Voice over IP network in the country, and is delighted to have led yet again with Naked DSL, recognised by PC User Magazine as the 2007 Product of the Year.