



MEDIA RELEASE

FOR IMMEDIATE RELEASE
July 25, 2007

Adam Internet negotiates with Kern Internet

Adam Internet has today announced a package for the customers of wholesale Internet service provider Kern Internet following its decision to cease trading.

Kern Internet's 5000 South Australian-based residential and business customers will be transferred to Adam Internet effective August 1, 2007.

The package provides Kern Internet's customers with a seamless transition, with Adam Internet honouring existing contracts and customers being able to keep their existing email addresses.

Adam Internet's Managing Director Scott Hicks says the competitiveness of today's ISP market is applying pressure to the smaller ISPs.

"Having an existing relationship with Kern Internet, we were able to reach an agreement that ensures its customers are not left in the lurch," Scott said.

"We have the distinct benefit of owning our own infrastructure and broadband ports, while also providing wholesale services to many other ISPs, so we're in a good position to continue to provide high quality service at an affordable price in today's challenging marketplace."

Kern Internet's Managing Director Phil Kern said after 17 years of being in business they have made the decision to cease trading.

"We're pleased that our customers will be looked after by such a strong performing South Australian ISP in Adam Internet," Phil said.

"In order to continue our current level of service, we would need to substantially increase our prices and we don't believe it's in our customers best interests, which is why we've decided to negotiate this package with Adam Internet," Phil said.

Adam Internet was established more than 20 years ago as one of South Australia's first commercial ISPs. Today, the company has experienced significant growth, reaching up to 35 per cent market share in South Australia and employing over 95 staff.

Adam Internet plans to continue its rapid growth with a bold move to quadruple its customer base to 300,000 customers and number of staff to up to 500 in the next three years.

Further media information: Bec Tape, communicate et al on 8331 1444 or 0438 806 983