

# ASX Release

**7 January 2008**

## **Results of Meeting**

The Board of ComTel Corporation Limited (CMO) wishes to advise that all resolutions were carried unanimously at its Extraordinary General Meeting held today.

### **Resolution 1: Share Consolidation**

CMO is pleased to announce that shareholders resolved to approve the Company's consolidation of its share capital by consolidating every twenty (20) ordinary shares on issue into one (1) ordinary share. Refer below for further details.

CMO Managing Director David Sweet said the process would reduce the number of securities on issue to a more manageable level for a company of its size and more adequately reflect the Company's established market position on the back of strong growth achieved throughout 2007.

"This consolidation signals CMO's maturity from low cost mobile phone operator to provider of consumer targeted email-enabled mobile networks that also tap the lucrative mobile advertising sector," he said.

"CMO is cashflow positive and earnings accretive, and has acquired scale and the necessary capabilities to redefine mobile as an extension of the internet. It is clear that the shareholders, which includes directors of CMO, are of the view that this consolidation will benefit the company and its share value. "

CMO will proceed with the implementation of the share consolidation in accordance with the below timetable:

<b>Event</b>	<b>Date</b>
Snapshot date for eligibility to vote at the General Meeting	5pm 4 January 2008
Approval of consolidation at General Meeting	7 January 2008
Last day for trading in pre-consolidation Shares	8 January 2008

Trading in post-consolidation Shares on a deferred settlement basis begins	9 January 2008
Last day for entity to register transfers on a pre-consolidation basis	15 January 2008
First day for entity to register Shares on a post-consolidation basis and to send shareholder notice	16 January 2008
Last day for entity to register Shares on a post-consolidation basis and to send shareholder notice	22 January 2008
Deferred settlement market ends	22 January 2008

The temporary ASX trading code for the deferred settlement period will be **CMODA**. The code will revert back to CMO after this period.

#### **Resolution 2: Financial Assistance**

CMO is also pleased to announce that shareholders resolved to approve the financial assistance resolution in relation to the acquisition of Empowered Communications. Refer below for further details.

The acquisition of Empowered marked a milestone for CMO's expansion beyond its own mobile offerings.

"Future growth for the mobile sector lies in delivering killer internet applications to standard phones, such as email," Sweet said.

"Partnering with Empowered helps CMO deliver this value to its own Reward and Just Mobile offerings, and create white labeled solutions for large brands and associations who want their own mobile offering and mobile customer interface.

"Building solutions that target specific community groups, deliver community and individual rewards and attract advertising value for members will unlock growth of the mobile market."

The result of the resolutions passed at the General Meeting of ComTel Limited held today is provided in accordance with Listing Rule 3.13.2 and section 251AA(2) of the Corporations Act.

**Resolution 1 (ordinary): Consolidation of Capital**

"That, for the purposes of Section 254H of the Corporations Act 2001(Cth) (the Act) and for all other purposes, the issued capital of the Company be consolidated on the basis that every twenty (20) Shares or Options on issue be consolidated into one (1) Share or Option, and where this consolidation results in a fraction of a Share or Option being held by a Shareholder or Optionholder (as the case may be), the Directors be authorised to round that fraction up to the nearest whole Share or Option."

This resolution was passed unanimously on a show of hands.

The total number of proxy results exercisable by all proxies validly appointed was 88. Instructions in respect of the proxies were:

FOR	PROXY'S DISCRETION	AGAINST	ABSTAIN
858,187,957	5,468,052	3,757,406	140,053
99.0%	0.6%	0.4%	0.0%

**Resolution 2 (special): Financial Assistance**

- "That in accordance with section 260B(2) of the Act the Shareholders approve:
- (a) the transactions described and contemplated in the Statement of Material Information required pursuant to section 260B(4) of the Act and which accompanies this notice;
  - (b) all elements of those transactions which may constitute the giving of financial assistance;
  - (c) that further documents in addition to those mentioned in the Statement of Material Information may be required or desirable for the purposes of the transactions contemplated in the Statement of Material Information, and the Shareholders approve such documents;
  - (d) and ratify the proposed actions of the Directors in doing all things necessary to give effect to the transactions contemplated in the Statement of Material Information which assists the acquisition by certain parties of the issued shares in the relevant Companies and any other transactions contemplated therein;
  - (e) that each Secretary and each Director of the Company be instructed and authorised to notify the relevant authorities and to update the Company's records accordingly."



This resolution was passed unanimously on a show of hands.

The total number of proxy results exercisable by all proxies validly appointed was 88. Instructions in respect of the proxies were:

FOR	PROXY'S DISCRETION	AGAINST	ABSTAIN
655,702,196	5,773,302	8,572,395	197,323,575
75.6%	0.7%	1.0%	22.7%

**About ComTel Corporation Limited**

*ComTel Corporation Limited (ASX:CMO), established in December 2004 and formerly known as ComodiTel, is an Australian owned mobile phone company that offers pre and post paid phone services via its network of MVNOs (Mobile Virtual Network Operator), including Just Mobile and Reward Mobile. As an MVNE (Mobile Virtual Network Enabler) CMO packages minutes with services for wholesale clients who operate their own phone and internet brands. A network capacity agreement with Vodafone Australia underpins both streams of activity. CMO's MNVO and MNVE expertise, combined with the capabilities of recently acquired permission based e-marketing and research group Empowered Communications, delivers value-focused mobile solutions to satisfy consumers as well as major brands and associations looking to maximise efficiencies created by the convergence of mobile and the internet.*

**For further information:** contact David Sweet, Managing Director, ComTel Corporation Limited, 0414 888 999 or Emma Cullen-Ward, Investor Relations on 0414 989 137

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