

FIBRECO PROJECT UPDATE

National fibre optic network development on schedule

20 April 2011 - FibreCo Telecommunications ("FibreCo"), a partnership between Cell C, Internet Solutions and Convergence Partners, is making excellent progress with its plans for the deployment of its open-access long-haul terrestrial fibre optic broadband network in South Africa.

The project is on track with the geotechnical and environmental studies for the first routes already completed and the tender process moving ahead swiftly. A wide range of other essential elements relating to permitting, engineering, environmental management and development of detailed customer solutions are also ongoing.

Whilst the initial phase of the project focuses on rolling out a 4,500km redundant core ring linking Gauteng, Cape Town and Durban to international cable landing stations by the end of 2012, FibreCo expects partial routes, including the Johannesburg to Cape Town link, to come on stream earlier to assist with the market requirement for additional capacity between the two regions. The subsequent two phases will ultimately see a total distance in excess of 12,000km being covered.

Arif Hussain, CEO of FibreCo, said: ***"The project is on track, with good progress being made on the key activities supporting the development of FibreCo's network, including negotiations with local and international network implementation partners, governmental authorities and various other market players. We have also been engaging actively with various role players within the education and research communities to explore ways of helping them to leverage the strong economic benefits of fibre ownership."***

FibreCo is building a state-of-the-art managed network, on an open-access basis, to deliver the most efficient route combinations and services to its customers, through the deployment of its own fibre optic cable and related infrastructure, as well as through partnerships or strategic alliances with other infrastructure providers wherever appropriate.

Cell C's extensive national wireless network will provide the platform for the co-location of optical transmission equipment at their base stations as well as wireless access solutions for FibreCo's customers. Through Internet Solutions, FibreCo has access to deep capabilities in the delivery of value-added networking solutions into the enterprise market, including facilities for the hosting of its customers optical termination equipment in urban centres. Convergence Partners contributes unmatched expertise in the development and financial structuring of large scale telecommunications infrastructure projects

The FibreCo website is live at www.fibreco.co.za

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NOTES TO EDITORS

FibreCo

Established in 2009 as an equal partnership between CellC, Internet Solutions and Convergence Partners, FibreCo aims to deploy a state-of-the-art fully managed long-haul fibre optic terrestrial network. FibreCo will develop infrastructure where necessary and leverage already available fibre networks and other relationships to provide the most efficient route combinations. FibreCo will offer a fully managed monitoring and maintenance service of the network on a 24/7 basis for its tenants. A range of additional value-added services will also be available, dependant on customer requirements.

Advances in telecommunications technology are driving down the costs of broadband connectivity for operators on an ongoing basis, enabling them to build broadband networks with larger and larger capacity, connecting countries to each other, connecting cities within a country, and connecting individual customer locations (both enterprises and individuals) via the telecommunications network. These cost benefits ultimately translate to lower pricing and more broadband capacity for end users, as competition between telecommunications infrastructure providers results in them passing on more and more of the cost savings to customers.

FibreCo's objective is to leverage these dynamics into SA's broadband sector. It will do so by building and managing a national fibre optic transmission network to world-class standards, and allowing anchor tenants to own capacity on that network. The open-access commercial model will enable FibreCo's customers to directly access the economic efficiencies inherent in fibre-optic networks, notably the ability to scale up the capacity being utilised by a factor of many orders of magnitude, with only a fractional increase in the costs of transmission.

FibreCo also plans to make bandwidth available at preferential pricing to institutions that will utilise it in a way that will assist broad ranging socio-economic developments. Typically this would include education and research institutions.

For more information, please visit www.fibreco.co.za

Cell C

Cell C (Pty) Ltd is a mobile network operator in South Africa and offers products and services to more than 7 million customers. In 2010, Cell C launched South Africa's most advanced network. Its HSPA+ 900/2100 network covered approximately 40% of the country's population at year-end 2010. Cell C aims to expand its coverage to 67% of South Africa's population by mid-year. Through innovative and inspiring products and services, Cell C aims to be the possibilities provider enhancing lifestyle and improving livelihoods.

For more information, please visit www.cellc.co.za

Internet Solutions

Internet Solutions is a wholly owned subsidiary of Dimension Data. The company is Southern Africa's most established and experienced Internet Service Provider. Since 1993 Internet Solutions has been providing innovative end-to-end connectivity solutions and related services across the African continent. Today IS is a provider of Internet Protocol-based Connectivity, Communications, Cloud and Carrier services in the African market and for African clients into the global market. IS provides services to large public and private sector organisations, medium sized organisations, and through its value channel program to smaller organisations and consumers.

For more information, please visit www.is.co.za

Convergence Partners

Convergence Partners is a South African based investment company, focused on the telecommunications, media and technology sector in emerging markets, with a principal focus on Africa. Convergence Partners' investment philosophy is to take meaningful equity stakes in quality companies and greenfield projects (many of which it develops itself) within its chosen sector, and act as both a strategic, value-adding active investor as well as BEE partner over a long-term period.

Current investments include stakes in SEACOM, New Dawn Satellite Company, Dimension Data Middle East & Africa (including Internet Solutions and Plessey), Britehouse, Communications Solutions, Gemalto South Africa, Inala, Skillpod Media, Integrat, Bloodhound, Convergence Wireless Networks (having interests in wireless broadband networks in Mozambique and Tanzania) and Convergence Border Management Solutions.

For more information, please visit www.convergencepartners.co.za