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IINET COMPLIANCE LISTING ON THE NEW ZEALAND STOCK EXCHANGE

The Company would like to announce that it will be an Overseas Listed Issuer on the New Zealand Stock Exchange effective 19 April 2004 (IIN).

Please refer to the attached media release for further information.

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MEDIA RELEASE

ihug Parent, iiNet, to list on NZSX

ihug, New Zealand's original internet pioneer, today announced its plan to list on the NZSX. This will be through its parent company, ASX-listed Australian ISP, iiNet Limited (ASX: IIN), which intends to become an Overseas Listed Issuer on the NZSX, on Monday 19 April.

The Company will list 79,461,916 ordinary shares. At today's prices, iiNet will have a market capitalisation in excess of NZ\$220m. iiNet is not currently seeking to raise any capital in connection with the listing.

"The decision to list iiNet on the NZSX was a logical step for the company given the number of New Zealand investors who are already substantial security holders of iiNet," says iiNet Chairman, Peter Harley.

At 31 March 2004, more than 25% of iiNet's issued capital was held by New Zealand investors.

"As ihug continues to maintain a strong and growing market presence, especially within New Zealand, we expect that this listing on the NZSX will generate significant investor interest, particularly in view of iiNet's excellent growth, financial performance record and consistent dividend policy."

After posting a record net profit, before goodwill amortisation, of \$3.7 million for the 6 months ended 31 December 2003, iiNet declared a fully franked interim dividend of 2.5 cents per share. The Company expects to continue to pay semi-annual dividends for the six months to 31 December and 30 June of each year, based on earnings for that respective period.

As iiNet will be a New Zealand Imputation Company under the Trans-Tasman imputation regime, there will be an option to attach New Zealand imputation credits to dividends payable to shareholders. This will ensure the New Zealand-resident shareholders obtain some benefits from the imputation credits arising in New Zealand.

Growth record

Since its inception in 1993, iiNet has progressed from a small operation located in suburban Perth to a leading Internet services provider with operations in Australia and New Zealand.

The Company was first listed on Australian Stock Exchange Limited in September 1999 and is soon to be admitted in the S&P/ASX 300 index.

iiNet merged with ihug in October 2003, thereby forming a trans-Tasman internet and communications company. This acquisition catapulted iiNet to the fifth largest Internet Services Provider in Australia and the third largest in New Zealand.

The group now boasts over 350,000 clients, providing dial up and broadband internet access and telephony services to retail and business customers. These services have an even geographic spread across Australia and New Zealand. The group now employs in excess of 300 staff in offices located in Perth (Head Office), Sydney and Auckland.

The following table provides a historical financial summary of iiNet for the previous three years:

iiNet Limited	Full Year Jun 2001	Full Year Jun 2002	Full Year Jun 2003	Half Year Dec 2003
(A\$'000,000s)				
Total Assets	13.0	20.0	29.5	111.8
Shareholder's equity	5.3	9.2	14.5	86.3
NTA per share (cps)	12.2	22.9	14.4	3.7
Sales	19.9	26.5	39.9	36.8
Net profit before tax (pre abnormals*)	0.2	6.2	7.6	3.2
Net profit/(loss) after tax (post abnormals)	(6.9)	4.3	5.2	1.5
Earnings per share (cps)	(18.1)	11.4	13.3	2.4
Dividend per share (cps)	-	5.0	6.0	2.5
Franking	-	100%	100%	100%

Strategy

The future focus is on growing its New Zealand and Australian operations through selective acquisitions of Internet Service and Phone providers where those acquisitions meet iiNet's strict investment parameters.

In parallel, iiNet will exploit enhanced organic growth prospects in the broadband and phone markets. iiNet is exploring the use of Voice Over Internet Protocol (VOIP) to reduce the cost base of the telephone business in Australia, leveraging the very successful VOIP business in New Zealand.

iiNet is also piloting its own broadband DSL infrastructure. This involves the installation of DSLAMs, a broadband switch, into Telstra's exchanges, reducing the cost base of DSL. The first fully functioning ADSL services were deployed on iiNet DSLAMs in January. This pilot is expected to continue over the next few months, and if successful, will be the basis of a broader deployment in mid 2004.

ihug signed a sale and purchase agreement with iiNet Limited in mid October last year. The consideration for the ihug business was A\$30.1 million in cash and the issue of 23.7 million iiNet shares at A\$1.75, bringing total consideration paid to A\$71.6 million. The cash component of the consideration was funded by a fully underwritten placement of 14.9 million shares, at A\$2.05 per share, to Australian institutional investors raising A\$30.6 million.

About iiNet

Founded in Perth, Western Australia in 1993, iiNet has grown organically and through selective acquisitions to the point where today it has 240,000 current subscribers in Australia. It is the second largest provider of DSL services in Australia. For the 2003 year iiNet generated revenues of \$40 million, up 54 percent from the previous year. The Company reported a net profit after tax of \$5.2 million and paid a final dividend of 4 cents per share.

About ihug

ihug Ltd is New Zealand's original internet pioneer, it has over 110,000 current subscribers across broadband, dial-up and telephony products in New Zealand. It also provides wholesale broadband and satellite access and web services to telecommunications operators and ISPs. The company has achieved its position from a culture of continuous innovation, which includes New Zealand's first flat rate Internet access plans, high-speed internet access and is one of New Zealand's leading VoIP telephony service providers.

"Application has been made to NZX for permission to list the securities and all the requirements of NZX relating thereto that can be complied with on or before the date of the distribution of this advertisement have been duly complied with. However, NZX accepts no responsibility for any statement in this advertisement." [NZX Regulation - 23(2)]