

Chairman's Address to the Annual General Meeting of Protel International Limited

September 30 1999

(ACN 009 568 772)

Ladies and Gentlemen:

On behalf of the Board of Protel International Limited I welcome you to the first Annual General Meeting to be held as a publicly-listed Company.

The results for the 12 months to 30 June 1999 show a 55% increase in operating revenue and a 65% increase in operating profit after tax. It is also pleasing to report that both of these results were above the prospectus forecasts.

The most significant event for the Company has been the recent IPO. The success of the float can be measured by the continued price levels being achieved in the market. The directors recognise the responsibility given to them and I advise that we are actively pursuing our acquisition program to acquire additional technology. At this stage we are happy with our progress but are not at this time in a position to make any announcements.

During the year dividends of \$1,658,623 were paid which represented an increase of 16.8% over the previous year. The first dividend as a listed company is expected to be made in March 2000 and is expected to be fully franked.

Mr William Bartee was appointed to the Board in May of this year and we welcome his contribution to the Board. As stated in the Prospectus, it is the Board's intention to appoint another independent director, preliminary discussions are being held and we expect to announce an appointment prior to the end of the calendar year.

The Company has a comprehensive technology development program for the ensuing twelve months and I am pleased to report that we are on track in its execution.

An exhaustive program to ensure Year 2000 readiness has been undertaken by the Company and we have recently lodged an up-to-date report with the ASX. Copies of this document are available on our website.

I take this opportunity to thank all of the employees of the Company for their efforts during the year, especially those involved in the IPO, they remained focused on the every day business of the Company. I also take this opportunity to thank my fellow directors for their contributions and assistance during the year.

Carl J. Rooke
Chairman