

POWERTEL LIMITED

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9 February 2007

**ASX**

**Company Announcements Office**

**Notice of Cancellation of 26 February General Meeting**

Attached please find a letter issued to shareholders today confirming cancellation of the General Meeting, previously adjourned to 26 February 2007.

Yours faithfully

Simon McEgan

Company Secretary



9 February 2007

Dear Shareholder

**Telecom New Zealand proposal to acquire PowerTel at \$2.30 cash per share**

PowerTel announced on 31 January 2007, that it has signed a Merger Implementation Agreement with a subsidiary of Telecom Corporation of New Zealand Limited (**Telecom**), under which Telecom will acquire all of PowerTel's shares by way of a scheme of arrangement at \$2.30 cash per share. The \$2.30 price may include a capital return component, although this is still to be finalised.

**PowerTel's Directors unanimously recommend the transaction to shareholders, in the absence of a superior proposal.**

The reasons for the Directors' recommendations will be set out in the Scheme Booklet

For the scheme of arrangement to become effective, a number of conditions will need to be satisfied including approval by PowerTel shareholders at a special Scheme Meeting to be convened for this purpose in late April (the other conditions are summarised in PowerTel's 31 January announcement).

In late March you will receive a Scheme Booklet containing details of the scheme, detailed recommendations from your Directors, and an Independent Expert's Report on the Telecom proposal.

A copy of the 31 January announcement can be found at <http://www.powertel.com.au/investor/media.htm>.

**Cancellation of 26 February General Meeting**

The transaction proposed by Telecom has superseded the matters that were to be considered by shareholders at the General Meeting, which had been adjourned to 26 February 2007. The Directors have decided that it is no longer necessary or appropriate to hold the General Meeting and accordingly have cancelled it. As noted above, shareholders will still have the opportunity to vote on the Telecom proposal at a specially convened Scheme Meeting in late April.

Yours faithfully

John C Conde, AO

Chairman