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MARKET ANNOUNCEMENT
18 September 2009

Zintel Group Ltd (NZAX: ZIN) announced today that it has reached a conditional agreement to acquire the business of Cogent Communications Ltd, effective 1 October 2009.

Cogent, a Onesource Group company, is a well established business telecommunications specialist with New Zealand wide coverage with a significant customer base and high brand recognition. The acquisition extends Zintel's service capability across New Zealand and enables the combined entity to build a broader offering of business telephony solutions including hardware and software applications, voice services, cabling and consultancy to our joint customers.

"We have been consistent in our communications to the market with regard to accumulating cash reserves and being patient in our wait for the appropriate opportunity at the right time. This acquisition is an ideal fit as part of our wider growth strategy," said Nick Gordon, chairman of the board of directors. "The combined revenue of Zintel and Cogent is expected to exceed NZ\$60 million on an annualised basis with a total of 250 employees across New Zealand and in our Sydney office.

The purchase price of NZ\$1.9 million is to be funded from cash reserves and whilst further investment will be required, it is not envisioned that Zintel will require any debt funding. The directors expect that additional working capital, transitional costs and one off expenses will significantly impact the year's profit for Zintel Group to 31 March 2010, but the Group should enjoy considerably improved growth and profitability in future years.

"The board has also resolved to issue up to 3,333,333 shares at 30c (\$1m in total) for cash, to enable employees to participate in the ownership of Zintel Group," Gordon goes on to say. "I am delighted a number of our staff wish to be stakeholders in the company thus aligning them with shareholders overall. Our dividend policy has not changed and whilst the directors won't consider the half year result until November, it is anticipated that a dividend will still be paid to shareholders."

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Background of Zintel Group Limited

Zintel Group Limited (www.zintel.co.nz) comprises three businesses providing a broad range of communication technology solutions in Australia and New Zealand. The Communications business offers a range of telecommunications services, specialising in Toll free services. The Enterprise business is a leading provider of integrated communications solutions based around Aastra, Alcatel-Lucent, GMT Workforce Management and Juniper data networking products. The recent inception of Zintel Payments has added payment technology products and services to the Group's capability. Established in 1995 and listed on the NZAX in November 2003, Zintel now employs over 120 staff with offices in Sydney, Auckland, Wellington, Christchurch and Dunedin.

About Onesource

Onesource is a leading New Zealand-owned office technology group, with more than 650 staff at 15 branches and offices across New Zealand. Office technology solutions are sold and supported through the group's operating divisions: Cogent Communications and Konica Minolta Business Solutions New Zealand and Leasing Solutions Ltd. Cogent Communications offers telecommunications sales and support for small to large companies nationwide. Solutions range from office phone systems to high-end call centres and includes IP telephony, voice messaging and voice and data integration. Konica Minolta is number one in the provision and service of sophisticated, integrated document solutions. These include the latest multifunction black and white and colour printer/copier/scanner/fax devices, as well as wide format printers and document management software. Both Konica Minolta and Cogent are supported by a market leading service operation with more than 200 field service engineers operating from nationwide network of branches spanning provincial as well as metropolitan centres.

For further information:

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