

ASX Release

Drawdown of Senior Debt Facility

4 November 2008

ComTel Corporation Limited (**ComTel or Company**) (ASX: CMO) is pleased to announce that on 3 November 2008 the Company drew down \$5.0 million under its 3 year senior secured loan facility from Co-Investor Capital Partners Pty Ltd (**Co-Investor**), and \$1.75 million under the Co-Investor bridging finance facility on the terms set out in the notice of annual general meeting dated 29 September 2008.

The funds raised from the proceeds of these loan facilities were used to pay out the Company's bank debt with ANZ. The facility provided by Co-Investor gives ComTel clarity and long term certainty with its financing arrangements. Coupled with the funds to be raised from the rights issue announced 3 November 2008, the restructuring of ComTel's debt facilities strengthens its balance sheet and reduces interest payments and thus improves cash flows from operations.

About ComTel Corporation Limited

ComTel Corporation Limited (www.comtelcorporation.com.au) is an Australian ASX listed (CMO) mobile and e-marketing company, formerly known as ComodiTel. Its competitive mobile offerings incorporate permission-based advertising and internet functionalities to generate value of personal relevance to users and real-time customer reach for advertisers. ComTel has a long-term Network Capacity Agreement with Vodafone Australia, which also enables it to service wholesale customers operating their own mobile and ISP brands.

For further information

David Sweet, Managing Director

0414 888 999

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