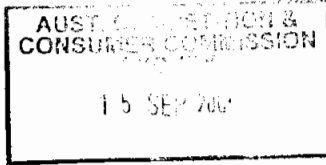


CLAYTON UTZ

Sydney Melbourne Brisbane Perth Canberra Darwin

15 September 2005



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Mr Scott Gregson
A/g General Manager
Adjudication
Australian Competition & Consumer Commission
PO Box 1199
DICKSON ACT 2602

Our reference: 219/2644/80029736

Dear Mr Gregson

FILE No:
DOC:
MARS/PRISM:

Unwired Group Limited - Notification

We act for Unwired Group Limited, who are contemplating entering a transaction involving Intel Corporation and Navini Networks, Inc.

We enclose a Form G and accompanying Submission notifying of the proposed transaction and a cheque in the amount of \$1,000 being the filing fee.

Yours sincerely

A handwritten signature in black ink, appearing to read "Bruce Lloyd".

Bruce Lloyd, Partner
+61 2 9353 4219
blloyd@claytonutz.com

Contact: Benjamin Cootes, Solicitor
+61 2 9353 4987
bcootes@claytonutz.com

Form G

Commonwealth of Australia
Trade Practices Act 1974 - Sub-section 93(1)

N. 31460

AUST. COMPETITION &
 CONSUMER COMMISSION

15 SEP 2000

**EXCLUSIVE DEALING
 NOTIFICATION**

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to in sub-section 47(2), (3), (4), (5), (6) or (7), or paragraph 47(8)(a), (b) or (c) or (9)(a), (b), (c) or (d) of that Act in which the person giving notice engages or proposes to engage.

(PLEASE READ DIRECTIONS AND NOTICE ON BACK OF FORM)

1. (a) Name of person giving notice:

Unwired Group Limited ACN 008 082 737

(See Direction 2 on the back of this Form)

- (b) Short description of business carried on by that person:

Supply of wireless telecommunications services

- (c) Address in Australia for service of documents on that person:

Level 19, 1 O'Connell Street, Sydney, NSW 2000

2. (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

The relevant services comprise the rights provided, granted or conferred in trade or commerce upon Navini Networks Inc in the agreement for the supply by Navini Networks Inc to Unwired Group Limited of wireless telecommunications equipment, including base station, network and customer premises equipment.

- (b) Description of the conduct or proposed conduct:

The supply of services by Unwired Group Limited to Navini Networks Inc by way of an agreement granting, providing or conferring rights on Navini Networks on condition that Navini Networks Inc acquires certain products or services (being certain Wimax Forum certified Intel silicon products, hardware or software) from Intel Corporation for incorporation into wireless telecommunications equipment to be supplied by Navini Networks to Unwired Group Limited.

(See Direction 4 on the back of this Form)

3. (a) Class or classes of persons to which the conduct relates:

Suppliers of wireless telecommunications equipment

(b) Number of those persons:

(i) At present time:

1

(ii) Estimated within the next year:

1

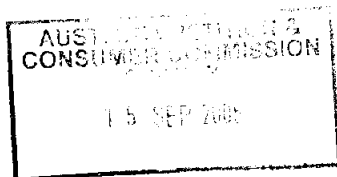
(c) Where number of persons stated in item 3(b)(i) is less than 50, their names and addresses .

Navini Networks Inc

4. Name and address of person authorised by the person giving this notice to provide additional information in relation to this notice:

Bruce Lloyd, Partner, Clayton Utz, Level 19, 1 O'Connell Street, Sydney, NSW 2000

Dated: 15 September 2005



Signed by/on behalf of the person giving this notice

(Signature)

Bruce Lloyd

(Full Name)

Partner, Clayton Utz, solicitor for Unwired Group
Limited ACN 008 082 737

(Description)

DIRECTIONS

1. If there is insufficient space on this form for the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice.
2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1(a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. In item 1(b), describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in subsection 47(2), (3), (4), (5), (6), (7), (8) or (9) of the *Trade Practices Act 1974* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. In item 3(a), describe the nature of the business carried on by the persons referred to in that item.
6. In item 3(b)(ii), state an estimate of the highest number of persons with whom the person giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

NOTICE

If this notification is in respect of conduct of a kind referred to in subsection 47(6) or (7), or paragraph 47(8)(c) or (9)(d), of the *Trade Practices Act 1974* (the "Act"), it comes into force at the end of the period described for the purposes of subsection 93(7A) of the Act (the "**prescribed period**") unless the Commission gives a notice under subsection 93A(2) of the Act within the prescribed period, or this notification is withdrawn.

The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996), starting on the day when this notification is given.

If the Commission gives a notice under subsection 93A(2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decides not to give a notice under subsection 93(3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47(2), (3), (4) or (5), or paragraph 47(8)(a) or (b) or (9)(a), (b) or (c), of the Act, it comes into force when it is given.

Submission to the Australian Competition and Consumer Commission
by Unwired Group Limited ACN 008 082 737

Exclusive Dealing Notification

Background

1. Unwired Group Limited ("**Unwired**") is an independent telecommunications carrier which operates a broadband wireless network in Australia. Unwired currently has a wireless broadband network of 73 base stations covering 2,000 square kilometres in Sydney.
2. Unwired owns or controls or will own or control spectrum licences in the 3.5GHz and 2.3GHz bands. The 2.3GHz and 3.5GHz spectrum bands are at the core of the planned worldwide interoperability for microwave access ("**WiMax**") standard.
3. Unwired is proposing to expand the rollout of its wireless network by entering into the following arrangements (which are conditional on shareholder approval, which will be sought at a general meeting on 13 October 2005):

(a) *The issue of secured Convertible Notes to Intel Corporation*

Unwired issuing secured Convertible Notes to Intel Corporation ("**Intel**") to raise a total of \$37 million ("**Intel Issue**"). The finance raised from the Intel Issue will be used by Unwired to expand the rollout of its wireless access network and the availability of commercial wireless broadband access services in its licence coverage areas including Sydney, Melbourne, Brisbane, Adelaide and Perth metropolitan city target markets or similar markets.

(b) *Collaboration Agreement with Intel*

Unwired entering into a collaboration agreement ("**Collaboration Agreement**") with Intel relating to the promotion and deployment of broadband wireless technology and services in Australia. The objective of this agreement is to create WiMax Forum Certified networks around Australia which will eventually provide full mobility and fast speeds for Intel WiMax enabled lap-tops and other 802.16e-enabled devices within Unwired's network.

(c) *Business Agreement with Navini Networks, Inc*

Unwired entering into a business agreement ("**Business Agreement**") with US based broadband wireless access solutions provider Navini Networks, Inc ("**Navini**") to provide to Unwired base station equipment ("**BSE**") required for the rollout of its wireless broadband network. The Business Agreement is a supplement to the existing equipment supply contract between Unwired and Navini.

The WiMax Standard Technology

4. WiMax is a wireless digital communications system, which makes use of the IEEE 802.16 Air Interface Standard, that is intended for wireless "metropolitan area networks". WiMax can be used for wireless networking in much the same way as the more common WiFi protocol, based on the 802.11 standard. WiMax is a second generation protocol that uses a much improved amended standard that allows for efficient bandwidth use, interference avoidance, and is intended to allow higher data rates over longer distances.

5. Intel develops, manufactures and distributes a variety of products, including general purpose microprocessors, network processors and wireless networking chips. It is currently developing certain broadband wireless access technology intended to comply with the evolving IEEE 802.16e standard. Such technology includes IEEE 802.16e compliant, WiMax Forum Certified silicon components as well as related software products and reference designs.
6. Navini develops manufactures and distributes a range of BSE and customer premises equipment ("CPE") or modems or client cards intended for use within notebook and desktop computers that offers the capability to provide broadband wireless access services. While Navini's current solutions are proprietary, Navini has a roadmap for the development of a solution based on the IEEE 802.16e standard that is intended to be WiMax Forum Certified. Unwired currently uses components supplied by Navini and other vendors.

No public detriment

7. The WiMax Forum (of which Unwired, Intel and Navini are or will be members) offers a means of testing manufacturer's equipment for compatibility, as well as an industry group dedicated to fostering the development and commercialisation of the technology. The WiMax Forum consists of more than 200 members, including Microsoft, Nokia, Disney, Samsung, AOL and BellSouth.
8. Accelerating the introduction of cost-effective broadband wireless access services is the ultimate goal of the WiMax Forum. The advent of standards-based, interoperable solution will create economies of scale that will drive price and performance to levels unachievable with proprietary equipment.
9. The certification process guarantees that products have been verified to be both conformant to the standard and interoperable with other equipment. These systems will be scaleable for up to thousands of users, and because of their interoperability, service providers will be able to purchase equipment from more than one vendor - reducing investment risk and creating a more price competitive market place.
10. The structure of the proposed transaction does impose some obligations on Navini Networks with respect to the supply of network equipment to Unwired. Under the Collaboration Agreement, Unwired confirms it will execute a business agreement with Navini and other third party vendors of BSE and CPE products which requires that equipment to comprise platforms that are compliant with Intel's preferred profile ("IPP") which is a subset of the 802.16e standard definition that optimises performance of Intel CPE's in broadband wireless networks.
11. If the IPP does not receive WiMax Forum Certification or ratification or the WiMax Forum does not by 31 March 2008 ratify the IPP, then the IPP compliance provisions will cease to apply.
12. The arrangements are voluntarily sought by each party as they offer considerable benefits to each party's business. During the next two to three years, Unwired, through its relationship with Intel, will be well positioned to have a central global role in the development of WiMax and influence equipment manufacturers to respond to Unwired's requirements. Unwired believes that cooperating with Intel will assist both Unwired and Intel to develop a standards based solution in the most cost effective manner and will enable Unwired to achieve scale benefits. Navini wishes to participate in the arrangements as network and customer equipment supplier to Unwired as it will benefit from the development and supply of Intel equipped products to Unwired and its other customers.
13. Further, Intel will be providing Unwired, at no additional cost, with access to its knowledge which is not available generally in the market, and will be providing, at its own cost, expert staff resources to work with Unwired's technical team to maximise services to the customer.

Public benefit

Greater competition in the market

14. The transaction will allow Unwired to compete in a broader geographic market for Wide Area Network (WAN) services.
15. The Collaboration Agreement is aimed at expanding Unwired's wireless access network across Australia's metropolitan areas. Unwired has to date built out a network and provides broadband wireless services to customers across the greater Sydney area. Unwired also has spectrum covering the other major metropolitan areas of Australia, including Adelaide, Brisbane, Canberra, Melbourne, Newcastle and Perth, with some neighbouring regional areas as well.
16. The proposal with Intel will facilitate Unwired to commence the rollout of wireless broadband network and launch commercial services in more of its target markets. The expansion will increase competition across the market for consumers in offering infrastructure based competition an internet access independent of the major telecommunications networks across Australia, and in particular, without reliance upon the Telstra customer access network upon which many other competing broadband access suppliers are dependent.

Network Equipment Vendor Level

17. Pursuant to the Collaboration Agreement, Unwired will seek Intel's advice on the selection of suppliers of BSE, prior to deploying new networks in the Unwired Group's 2.3GHz available spectrum in order to closely align this process with the development of Intel's IPP, however any final decision on the supplier rests with Unwired.
18. In addition under the Collaboration Agreement Unwired will be required to use all commercially reasonable efforts to include in its requirements to its suppliers that any CPE, BSE or other network equipment (including back office functions) shall be based on Intel WiMax silicon, software or other applicable products, subject to the important proviso that in Unwired's reasonable opinion such Intel silicon, software or other Intel products are competitive in terms of pricing, features and performance, and in the case of broadband wireless products, commercially available and equal to or better than alternative products in terms of customer parameters including:
 - (i) indoor install and non-line of sight performance;
 - (ii) coverage economics; or
 - (iii) nomadic features.
19. Under the Business Agreement Navini commits to make available to Unwired the next generation BSE platforms operating at 3.4GHz, no later than April 2006 and 2.3GHz, no later than August 2007, both installation and activation ready, on reasonable commercial terms and in reasonable commercial quantities. Navini also commits to use all reasonable commercial efforts to provide the ability of these platforms to be software upgradeable to full WiMax Forum Certified capability, compliant with IPP, no later than June 2007 (subject to certain conditions). If Navini is unable to complete its development of certain WiMax products within Unwired's timeframe, Unwired can seek the services of alternate vendors (a right it also holds under its existing equipment supply contract with Navini).
20. The WiMax certification process establishes a platform allowing more vendors to better compete with products that meet the WiMax standard, which will benefit the public. Under the Collaboration Agreement Intel will agree to support Unwired's top two suppliers, initially Navini and one other to be notified by Unwired as early access customers and to provide

current definition and ongoing programs of the IPP, product information and technical specifications in a timely manner.

Consumer level

21. WiMax is expected to deliver a number of benefits for internet users:
 - (a) Improved technology - These include global roaming, faster speeds - greater than 2 Mbps, full mobility and in the longer term, significant cost savings when the customer upgrades to equipment with WiMax chips embedded.
 - (b) Improved access - Depending on the version of the IEEE 802.16 standard, WiMax can provide broadband wireless access ("BWA") up to 50km for fixed stations, and 5-15km for mobile stations. Typically, for the IEEE 802.16e standard, supporting mobility in a city environment, BWA can be supported to distances up to 3km. In contrast, the WiFi/802.11 wireless area network standard is limited in most cases to only 30-100 metres.
 - (c) Improved service - The benefits for the public of the WiMax include interference avoidance and it is intended to allow higher data rates over longer distances.
 - (d) Reduced costs - The primary advantages of the WiMax standard are expected to be interoperability between networks (and different equipment suppliers), which should reduce equipment costs, allow customers to roam nationally and internationally, and lead to WiMax chips being embedded in customer devices such as laptops or PDAs, thereby removing the need to purchase a modem.
22. Consumers will have an infrastructure based alternative to existing large scale telecommunications service providers like Telstra and other DSL based broadband access suppliers which rely on Telstra's customer access network. This transaction greatly improves prospects of Unwired to increase supply and competition of broadband services because it allows build out in Unwired's target locations using the WiMax technology in Intel equipped network vendor equipment such as BSE.
23. Further there is increased access to customers by using Intel equipped customer devices (which are likely to enjoy a significant market share) so that most consumers will be compatible with the WiMax service offered by Unwired. The arrangement with Intel decreases customer equipment barriers compared to existing arrangements. Without the arrangements described in the foregoing paragraphs Unwired believes that its competing broadband access offer to customers in competition with other suppliers such as Telstra and Optus will be less effective.