



ARCTIC FIBRE EXTENDS NETWORK TO NORTHWEST ALASKAN COMMUNITIES

TORONTO, ONTARIO and ANCHORAGE, ALASKA – January 17, 2013 – Arctic Fibre Inc. announced today that it will partner with Anchorage-based Quintillion Networks, LLC to provide broadband telecommunications services to more than 26,500 Alaska residents living along the Alaskan North Slope and Bering Sea coastline, and to provide a geographically diverse alternate fibre route for traffic from the United States to Europe and Asia.

This provision of virtually unlimited bandwidth will enable government to reduce the cost of providing services to citizens and enable consumers to access faster Internet speeds now available in most urban communities in Alaska.

Arctic Fibre was established in 2009 to explore deploying a fibre optic telecommunications system through the Canadian Arctic. Arctic Fibre plans to construct a 15,167 km (9,424 mile) subsea fibre optic cable extending from Tokyo, Japan to London, England via the Bering Strait, Beaufort Sea and Canadian Arctic with a planned in-service date of November 2014.

Arctic Fibre's backbone network will reduce the cost of wholesale bandwidth by more than 85% in the Canadian communities of Cambridge Bay, Gjoa Haven, Taloyoak, Igloodik, Hall Beach, Cape Dorset and Iqaluit. The company successfully concluded a capacity nomination process for Canadian carriers in late 2012 and is now moving to formal contracts with a group of Canadian carriers and government agencies.

In December 2012, Arctic Fibre entered into an agreement with Quintillion Networks to serve the Alaska market as a wholesaler providing bandwidth to existing Alaska telecommunications carriers on a non-discriminatory basis.

Quintillion will act as Arctic Fibre's landing party in the United States and will own subsea spurs from underwater branching units to at least five communities along the Alaskan coastline. "At this juncture, Quintillion will construct spurs between Arctic Fibre's backbone and the communities of Prudhoe Bay, Barrow, Wainwright, Nome and Kotzebue," said Douglas Cunningham, Chief Executive Officer of Arctic Fibre Inc. Quintillion will soon file the landing license applications with the Federal Communications Commission.

"Based upon potential demand from the military, the network could be extended to Shemya," added Elizabeth Pierce, Chief Executive Officer of Quintillion Networks LLC. Quintillion is also working closely

with local telecommunication companies to assess possible extensions of the network to serve other rural Alaskan communities using high-capacity microwave links or additional new fibre optic cable builds.

“The infrastructure proposed by Arctic Fibre and Quintillion has the potential to transform many communities in Alaska by providing credible broadband access for the first time, or by providing a real choice for broadband services in other communities. Alaska Communications has consistently invested in broadband in Alaska, and we are now bringing our considerable expertise in building and operating networks to this venture by collaborating with Quintillion to conduct engineering feasibility assessments for their Alaska-based broadband infrastructure,” said Anand Vadapalli, President and CEO of Alaska Communications.

Quintillion's Chief Operating Officer, Hans Roeterink, said Quintillion also intends to construct a 490-mile fibre parallel to Alaska’s Dalton Highway from Prudhoe Bay south to Fairbanks, and then to connect with existing terrestrial fibre networks to Anchorage and south through existing subsea fibres to mainland US.

"This terrestrial portion of Quintillion’s network will enable high capacity connectivity for Alaskan customers as well as an alternative route for customers from the United States to other regions of the world”, added Roeterink.

"The proposed Quintillion Network from Prudhoe Bay to the U.S. west coast provides a low-latency, physically-diverse route for video content producers and social media networks to distribute their traffic to points in Asia and Europe," said Cunningham. Arctic Fibre's latency between Seattle and London will be less than the combination of terrestrial links between Seattle and landing stations in New Jersey or Long Island and a subsea trans-Atlantic crossing.

“Through the work of the Statewide Broadband Task Force, we have been developing a blueprint for Alaska’s broadband future,” said Commissioner Susan Bell, Department of Commerce, Community and Economic Development. “This network would move Alaska substantially toward the task force goal of delivering 100 megabits per second to every Alaskan by 2020 and could prove to be a real game changer for the state.”

"Our Quintillion partners and their affiliates at Allied Telecommunications have established strong relationships within the video production and distribution industry which will build traffic over our network," said Cunningham. "Elizabeth Pierce and Hans Roeterink have extensive experience in Alaska and the telecommunications environment from both a consumer standpoint and investment perspective."

Both Arctic Fibre and Quintillion will present plans for the new fibre link at the Pacific Telecommunications Council meetings in Honolulu, Hawaii during the week of January 21st.

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