

For immediate release 13 October 2009

**P N C TELECOM PLC**

("PNC Telecom" or "the Company")

Issue of Equity

The Board today announces that it has issued 100,000,000 new ordinary shares in the Company at 0.03p per share to raise £30,000 to Mr Darren Ridge. The Board has also granted Mr Ridge a warrant allowing him to subscribe for a further 50,000,000 new ordinary shares in the Company of 0.01p each at a price of 0.03p per share, exercisable at any time in the next 12 months.

The proceeds will be used for general working capital purposes.

In addition, the Board announces that it has issued 10,000,000 new ordinary shares in the Company at 0.03p per share as settlement of outstanding fees.

Application will be made for the new ordinary shares, which will rank pari passu with the existing ordinary shares, to be admitted to trading on AIM and trading is expected to commence on or around 19 October 2009.

Mr Ridge is currently interested in 113,125,000 ordinary shares which represent approximately 8.87% of the current issued share capital but in the prior 12 month period his interest has represented more than 10.0% of the then issued share capital. Accordingly, the share placing must be treated as a related party transaction for the purposes of Rule 13 of the AIM Rules. The Directors of the Company (being Leo Knifton and Joe Case), having consulted with Beaumont Cornish Limited, the Company's nominated adviser, consider the terms of the proposed Placing is fair and reasonable insofar as the Company's Shareholders are concerned. In particular the Directors have taken account of the Company's objective to raise further working capital and the potential sources of funds for the Company, which at this time are limited in the context of its operational performance over the last year.

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