



News Release

September 20, 2006

Longest over-water radio Internet transmission to connect Haida Gwaii to broadband

Gwaii Trust Society, TELUS sign contract to bring high speed Internet service to residents this year

Vancouver, B.C. – The world’s longest over-water radio Internet transmission will connect Haida Gwaii, also known as the Queen Charlotte Islands, to high speed Internet service later this year. TELUS and the Gwaii Trust Society signed a contract for the project earlier this week.

TELUS is investing \$1.3 million to build a series of high-capacity mountain-top data transmitters to Mount Hayes near Prince Rupert. High speed Internet service will then beam 115 kilometres over water to a station at Masset, on the Islands. Service will flow from the station to other points on the Islands via fibre optic cables.

Construction is already well underway on the project, a collaboration with the Gwaii Trust Society and part of TELUS’ \$110 million partnership with the B.C. government to connect 119 rural and remote B.C. communities to high speed Internet.

“It takes ingenuity to bridge the digital divide in a province as vast as ours,” said Labour and Citizens’ Services Minister Olga Ilich. “British Columbia has gained international recognition for its innovative approach to bringing the benefits of broadband Internet to rural and remote communities at no added cost to taxpayers.”

“This is an outstanding example of how world-class engineering coupled with local understanding can overcome geographical and technical challenges to connect rural communities to the same services enjoyed by metropolitan centres,” said Shaun Greffard, TELUS Northern Interior General Manager. “Not even possible a few years ago, this technical marvel will bring residents of the Queen Charlotte Islands new opportunities for improved health care, education and economic development.”

“The contract signed earlier this week represents the culmination of nearly five years of work with the Province of B.C., TELUS and other partners to bring this vital high-capacity service to the people of Haida Gwaii,” said Miles Richardson, Chairman of the Gwaii Trust Society. “The Gwaii Trust is leading development of the Haida Gwaii Community Network, which will connect our seven major communities. When completed, the on-island network will be owned by the communities and operated by the GwaiiTel Society.”

TELUS is partnering with Alcatel on the system’s design and construction, drawing on that firm’s technical expertise for assistance with the unique configuration of the radio link. The GwaiiTel Society, in cooperation with TELUS and Alcatel, will develop the Haida Gwaii Community Network to connect the Island communities. GwaiiTel will operate the network on behalf of the communities of Haida Gwaii and will bring ‘last mile’ Internet service to the Islands’ residents by working with a number of locally-based

Internet service providers. GwaiiTel will make high speed Internet service available to about 5,000 residents of the Islands' seven largest communities, including Masset, Old Massett, Port Clements, Tlell, Skidegate, Queen Charlotte and Sandspit. The partners anticipate the first residential and business customers will receive high speed service late in 2006.

About TELUS

TELUS (TSX: T, T.A; NYSE: TU) is a leading national telecommunications company in Canada, with \$8.4 billion of annual revenue and 10.4 million customer connections including 4.7 million wireless subscribers, 4.6 million wireline network access lines and 1.05 million Internet subscribers. The company's strategic intent is to unleash the power of the Internet to deliver the best solutions to Canadians at home, in the workplace and on the move. TELUS provides customers with a wide range of wireline and wireless communications products and services including data, Internet protocol (IP), voice, entertainment and video services. For more information about TELUS, please visit telus.com.

About GWAI TRUST

The Gwaii Trust is a not-for-profit society established to enhance environmentally sustainable social and economic benefits to the Haida Gwaii/Queen Charlotte Islands through the use of its perpetual trust fund. For more information about the Gwaii Trust, please visit gwaiitrust.com.

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For media inquiries, please contact:

Shawn Hall
TELUS Media Relations
604 697-8176
shawn.hall@telus.com

Miles Richardson
Chairman, Gwaii Trust Society
250 559-8883
gtrust@island.net

Graham Currie
Communications Director
Ministry of Labour and Citizens' Services
250 387-2699