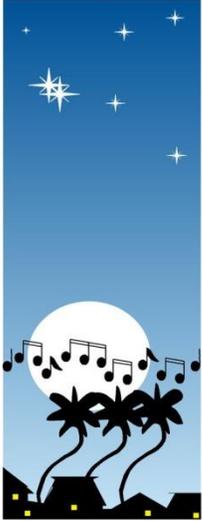


**Statement to South Pacific Stock Exchange
21st November 2016**

**COMMUNICATIONS FIJI LTD SUBSIDIARY PNG FM PAYS
DOWN CINEMA DEBT**



**Communications
Fiji Limited**
parent company of:
Fiji: FM96, Legend FM,
Navtarang, Radio Sargam,
VITI FM, Total Events Company,
CFL CinemADS & fijivillage.com
PNG: Nau FM, Yumi FM
& Legend FM

SUVA
HEAD OFFICE
231 Waimanu Rd, Suva, Fiji.
Private Mail Bag, Suva
Telephone: (679) 331 4766
Fax: (679) 330 3748
Website: fijivillage.com
& cfl.com.fj

LAUTOKA
1st Floor, 5 Tukani Street
Above Bank of Baroda, Namoli
House Complex, Lautoka
Telephone: (679) 666 4966
Fax: (679) 666 4996

LABASA
10 Rosawa Street
Labasa, Fiji
Telephone: (679) 881 2791
Fax: (679) 881 2177

Communications Fiji Ltd (CFM) announced today that its subsidiary company PNG FM Ltd (PNG FM) has paid down its share of term debt owed by cinema operator Paradise Cinemas Ltd (PCL). PNG FM Ltd owns a 43.87% shareholding in the company. The other major shareholder City Pharmacy Ltd (43.87%) has also paid its share of debt.

Total investment by PNG FM was K3,000,000 (\$1,938,610 FJD), funded by a five year debt arrangement with Westpac PNG. PNG FM Ltd currently has no other borrowings. As previously announced, PNG FM had been advocating debt reduction with PCL partners, (City Pharmacy Ltd and Damodar Films Ltd) for more than a year.

Although the bulk of the debt reduction was now in place, there were however, continuing concerns about operations and performance of PCL.

CFM Chairman, Mr. Wilson said PNG FM Ltd fully impaired its existing shareholding in PCL (K2,243,721) earlier in 2015. After reviewing current performance of PCL, the boards of Communications Fiji Ltd and PNG FM LTD have decided to fully impair the remaining investment (K3,000,000) in the 2016 accounts.

“We believe this is prudent under the circumstances,” said Wilson.

He said the board of Communications Fiji Ltd had also deferred a decision on the distribution of an interim dividend until late January 2017.

Mr. Wilson said, “While our Fiji operations are delivering record results, we prefer to wait to assess the full impact of the impairment and delivery of final results from PNG FM’s radio operations, before committing to a dividend payout.”

The Communications Fiji Ltd board also announced that Chairman Mr. Matt Wilson will be deferring his retirement until March 31st 2017.



WILLIAM PARKINSON
Managing Director



JYOTI KHATRI
Group Financial Controller/
Company Secretary