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ASX ANNOUNCEMENT
20 July 2015

DigitalCCLimited
Innovative Digital Currency Solutions

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ASX Code: DCC
Trading as digitalBTC

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AirPocket Product Presentation

Digital payments company Digital CC Limited (ASX:DCC) (trading as **digitalBTC** and "the **Company**") is pleased to provide the accompanying presentation, providing a comprehensive explanation and details of its disruptive AirPocket product.

The attached presentation is currently being used for marketing purposes to potential commercial partners, as part of the Company's roll out strategy, in the U.S., Latin America and the Caribbean.

The App is due to complete its current testing phase in Q3 2015 ahead of the next stage of testing, which will on-board external users in select regions.

On 13 July the Company released a video providing a brief overview of the products functionality and interface, which can be viewed here - https://youtu.be/u3-rFutxZyw. This presentation provides more in-depth information in relation to the App's capabilities and how it works.

Ends

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About digitalBTC

Digital CC Limited, trading as digitalBTC, operates as an innovative software solutions company, providing investors exposure to the global digital payments systems industry through disruptive fintech solutions in the remittance and digital currency sectors.

The Company has developed a suite of new and innovative software for institutions and consumers, leveraging Blockchain technology and the secure ledger system to create new and innovative products for institutions and consumers.

The Company's most recent product, AirPocket, is designed to provide consumers with the ability to securely and cost-effectively send remittances in any currency, from anywhere, anytime, regardless of the transaction size.

Digital CC Limited is based in Perth, Australia and has offices in Boston and New Jersey, U.S.

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airpocket™

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Vision

- Expand money services to the unbanked
- Expand geographic reach of money remittance services to rural areas
- Allow an institution's agent to process remittances through the use of a smart phone regardless of location
- Lower remittance infrastructure costs for institutions
- Lower remittance service fees for individuals
- Provide more efficient remittance model

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Benefits to Institutions

- Expand deposit base to financial institutions by bringing remittance flows into mobile accounts
- Create a new market for the previously unbanked
- Enable automated credit monitoring
- Reduce compliance and processing costs of remittances
- Decrease data retention and recordkeeping costs through the use of the blockchain technology

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Benefits to Consumers and Communities

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- Quicker and cheaper than existing options
- Mobile-message-based payments and banking
  - Users can store their cash value in SMS-based wallets
  - Use SMS and other mobile messaging platforms to make payments, buy goods and share value with friends and family
- Enabling entrepreneurship
  - Post-dated codes, e.g. for bills of sale, can be used as lending collateral with AirAgents
  - Platform can be used for reputation-based peer-to-peer lending
  - Permanent blockchain records of transactions tied to unique user ID's can help build credit histories and financial identities for users

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AirAgents

- Act as remittance brokers
- Need only a smart phone and a small cash float
- Earn commissions for processing transactions
- Are vetted for KYC and AML compliance
- Act as distribution hub for rural communities

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AirCodes: A Secure, Tokenized Transaction System

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- 6-digit alphanumeric codes sent by SMS or other mobile platform
- Store monetary value and can be used as a form of payment
- Are hidden from the AirAgents who create and redeem them
- Can only be used once

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Compliance

- Complies with Know Your Customer regulation
- Complies with Anti-Money Laundering regulation
- Registered with Financial Crimes Enforcement Network
- Proactive compliance with transaction monitoring best practices through in-app filters

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User Experience: Using an AirAgent

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User Experience: Using an AirAgent

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Requirement

AirAgent deposits USD in his account via ACH, credit or debit card, or through a retail location in order to process AirPocket transactions.

Step 1

The sender locates the AirAgent and asks him to send $100 to a certain country. AirPocket creates an AirCode for the sender.

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User Experience: Using an AirAgent

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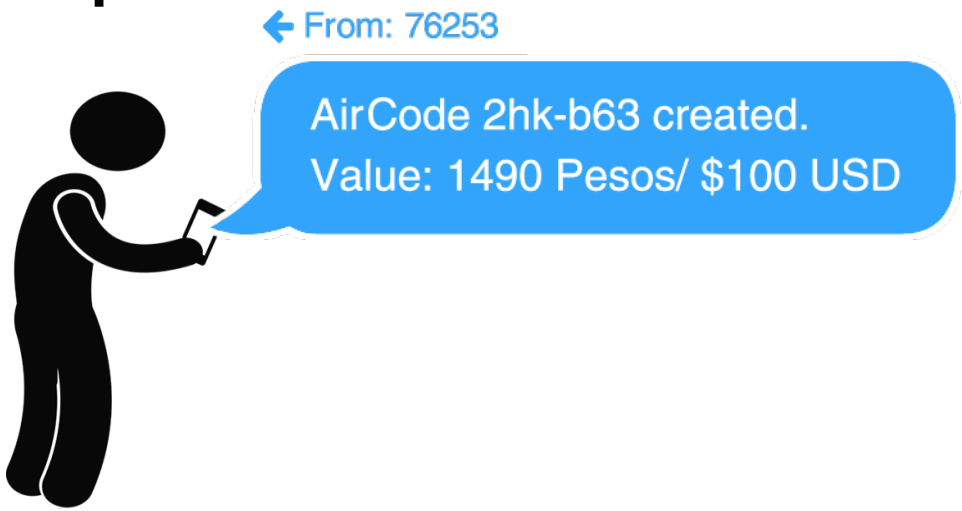
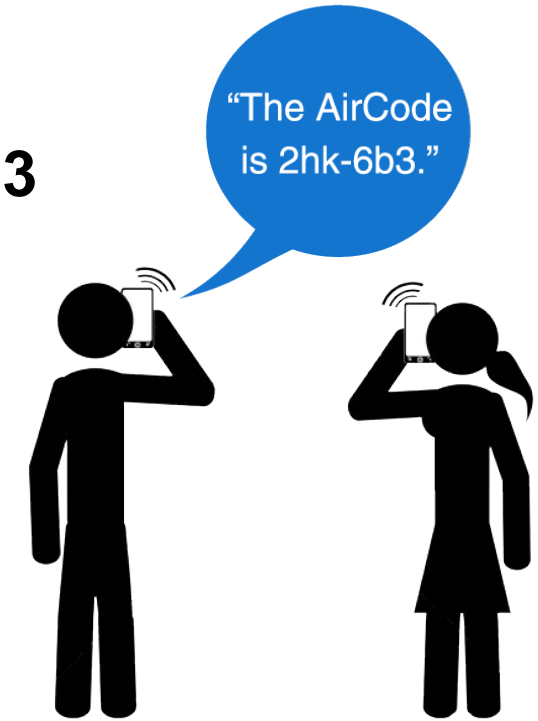
Step 2



The AirCode is sent to the sender by text message.

The AirAgent receives a commission.

Step 3



The sender calls the receiver in her country and gives her the AirCode, or AirPocket sends the receiver the AirCode by text message if she has a phone.

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User Experience: Using an AirAgent

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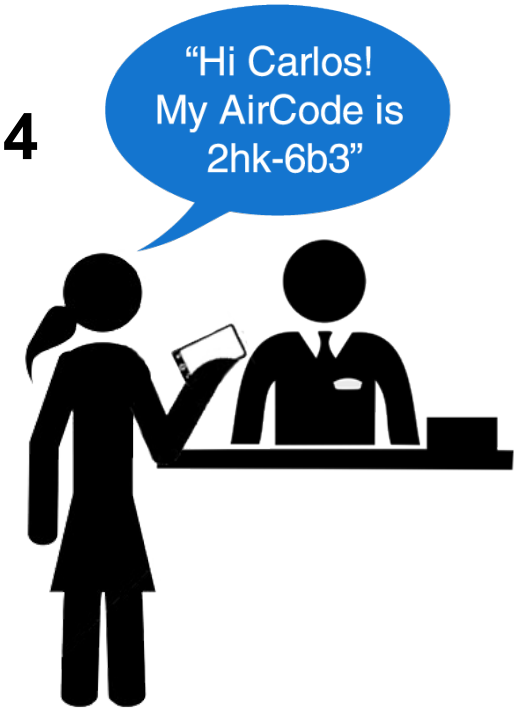
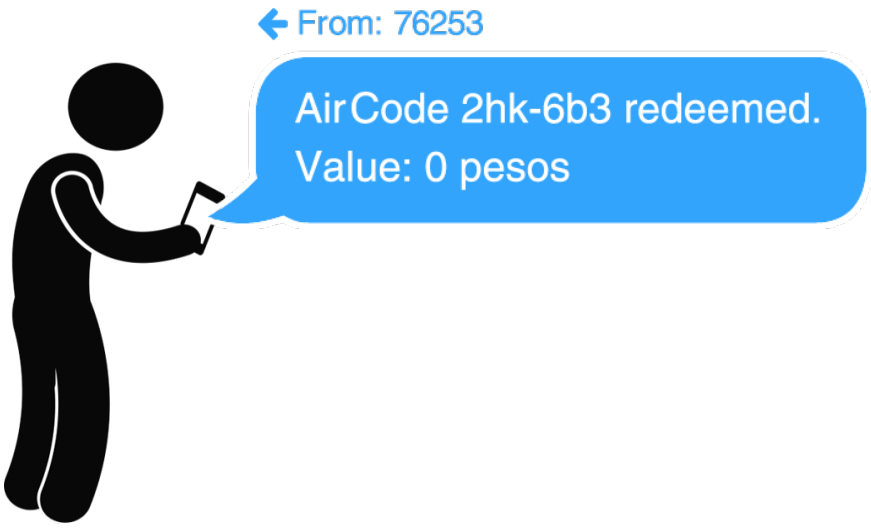
Step 4



The receiver locates an AirAgent to exchange her AirCode for cash.

The AirAgent receives commission out of the redeemed balance.

Step 5



The sender receives a confirmation text message that the AirCode has been redeemed.

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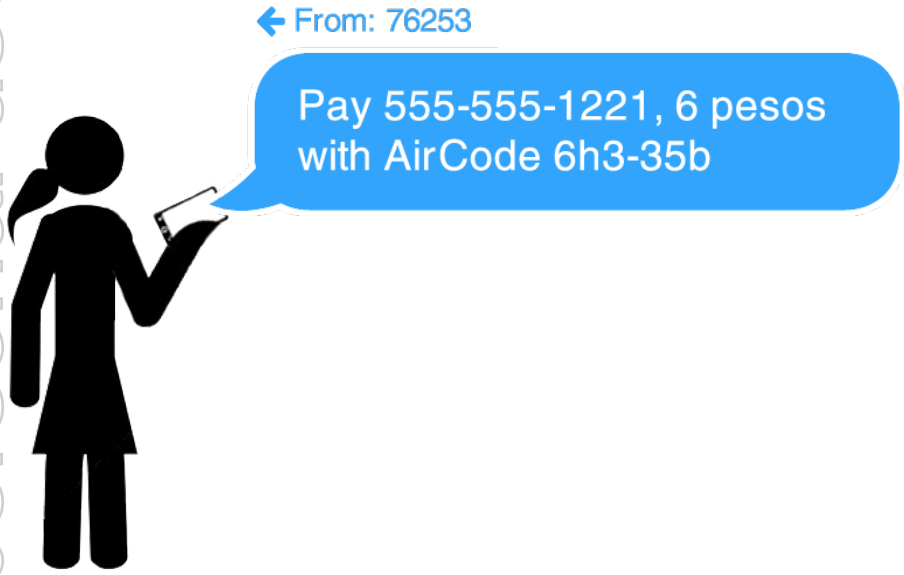
Other Uses for AirCodes: Purchases

Use an AirCode to make a purchase. Maria has an AirCode with some value. She does not need to have an AirPocket account for this use.

Step 1



Maria is at a store that uses the AirPocket app. By text message, she buys an apple using her AirCode.

Step 2

Maria receives her change through text message. Her change is stored in a new AirCode.

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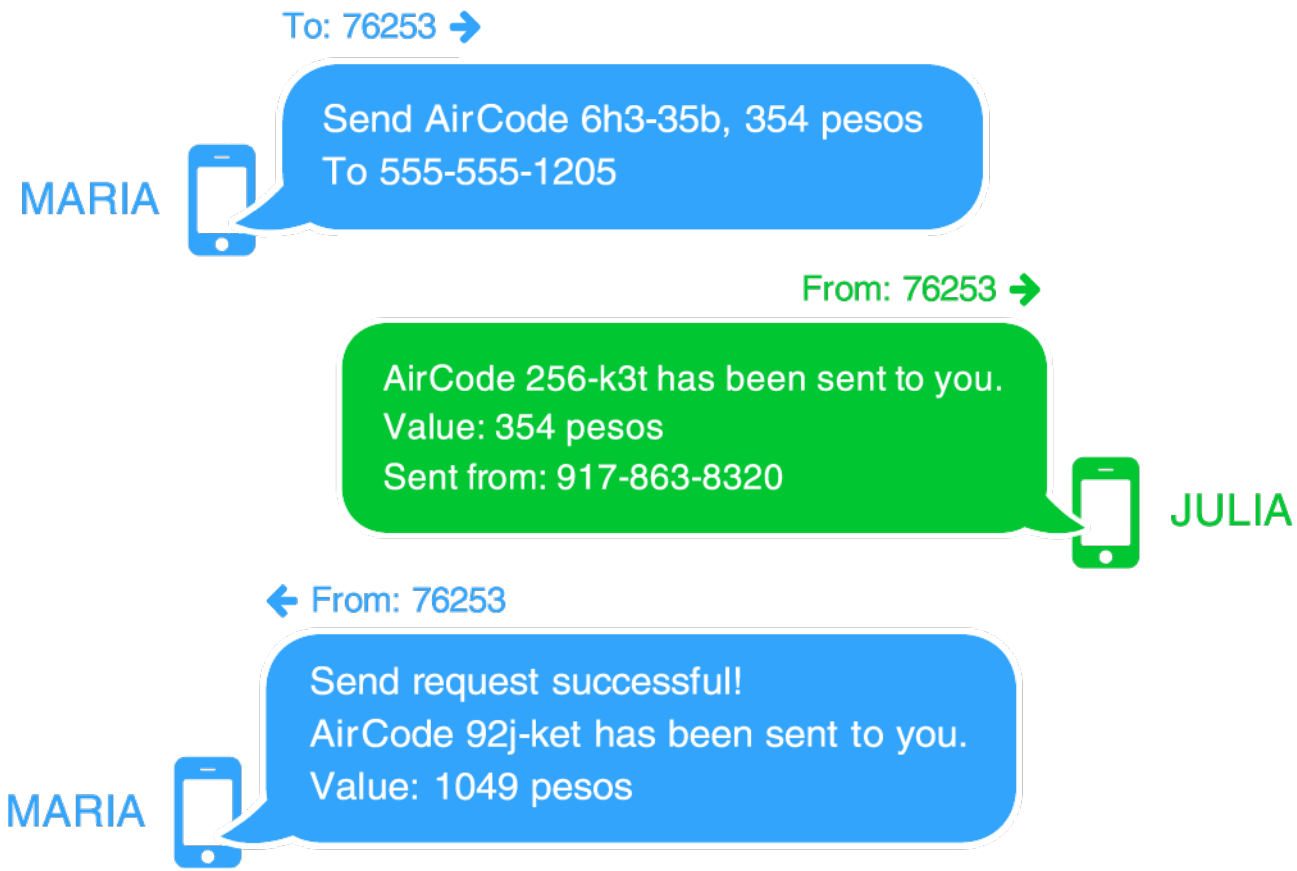
Transferring Value

Maria has 1403 pesos and wants to send 354 pesos to Julia. Julia can access her funds by redeeming for cash at an AirAgent, or depositing into her AirPocket account via a text command.



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The AirAgent Application

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AirAgent: Send Money

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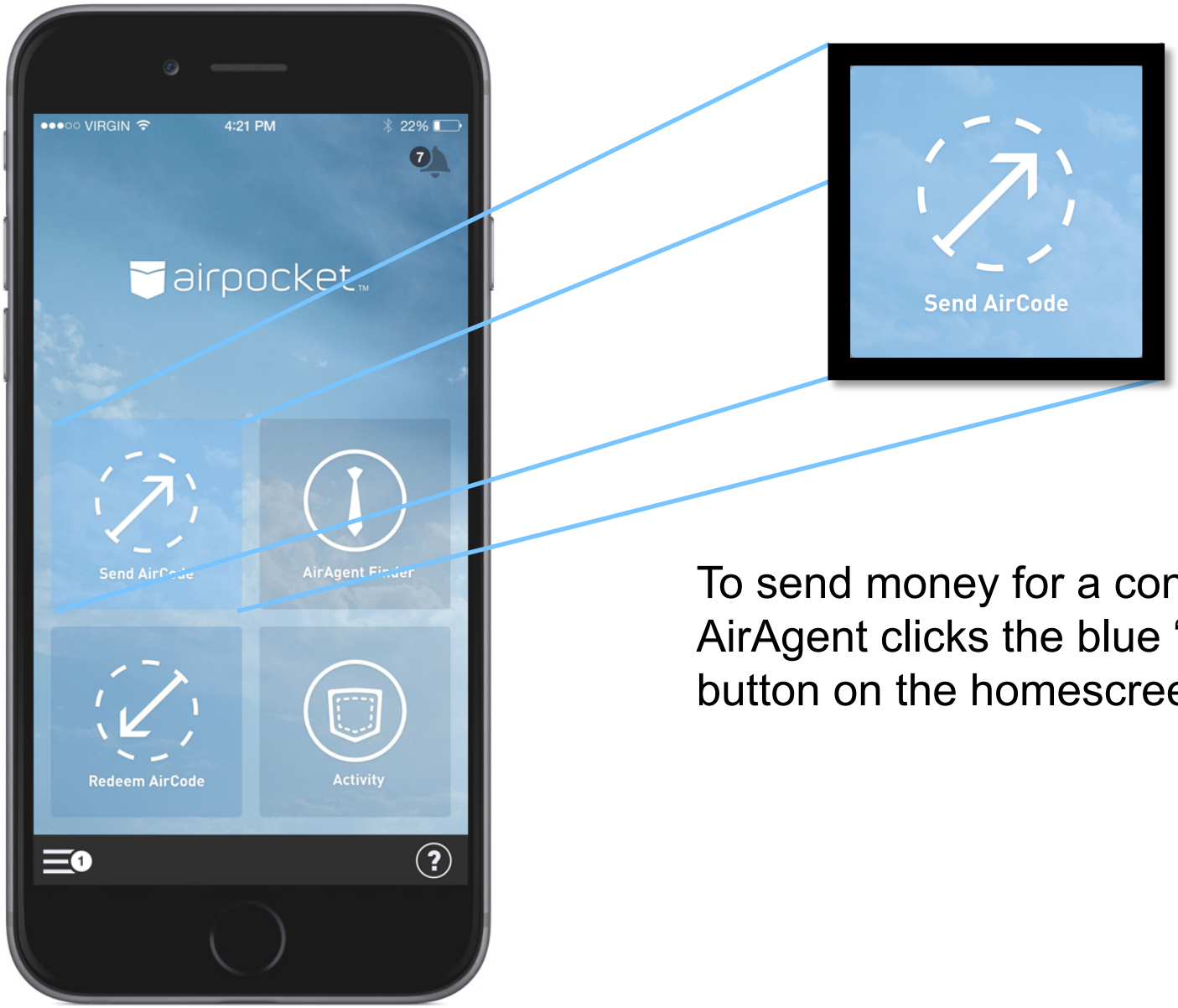

To send money for a consumer, the AirAgent clicks the blue “Send AirCode” button on the homescreen.

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AirAgent: Send Money

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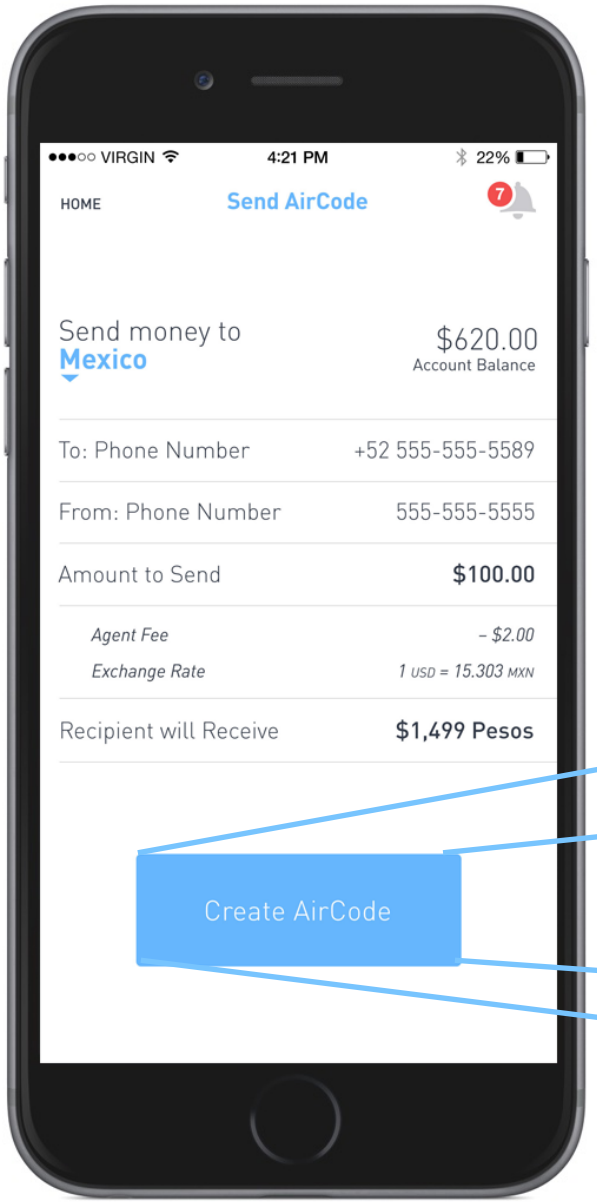

The AirAgent selects the country in which the consumer is sending money and continues to fill out the Send Form.

The AirAgent clicks “Create AirCode”.

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AirAgent: Send Money

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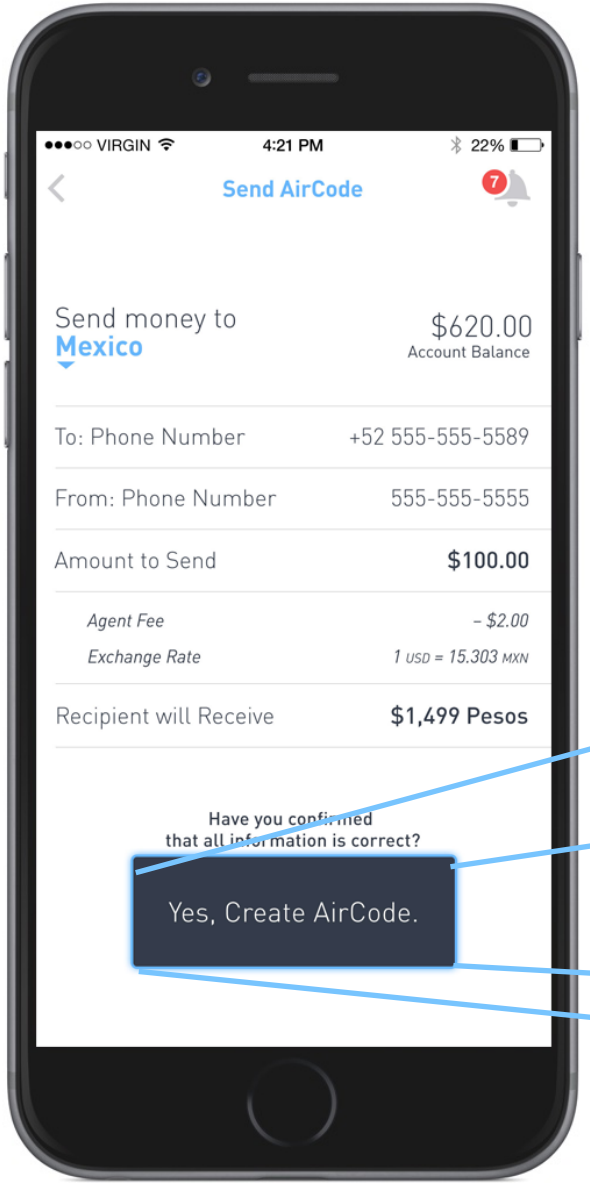

The consumer confirms the details are correct and creates the AirCode. A release token is sent to the consumer's mobile device.

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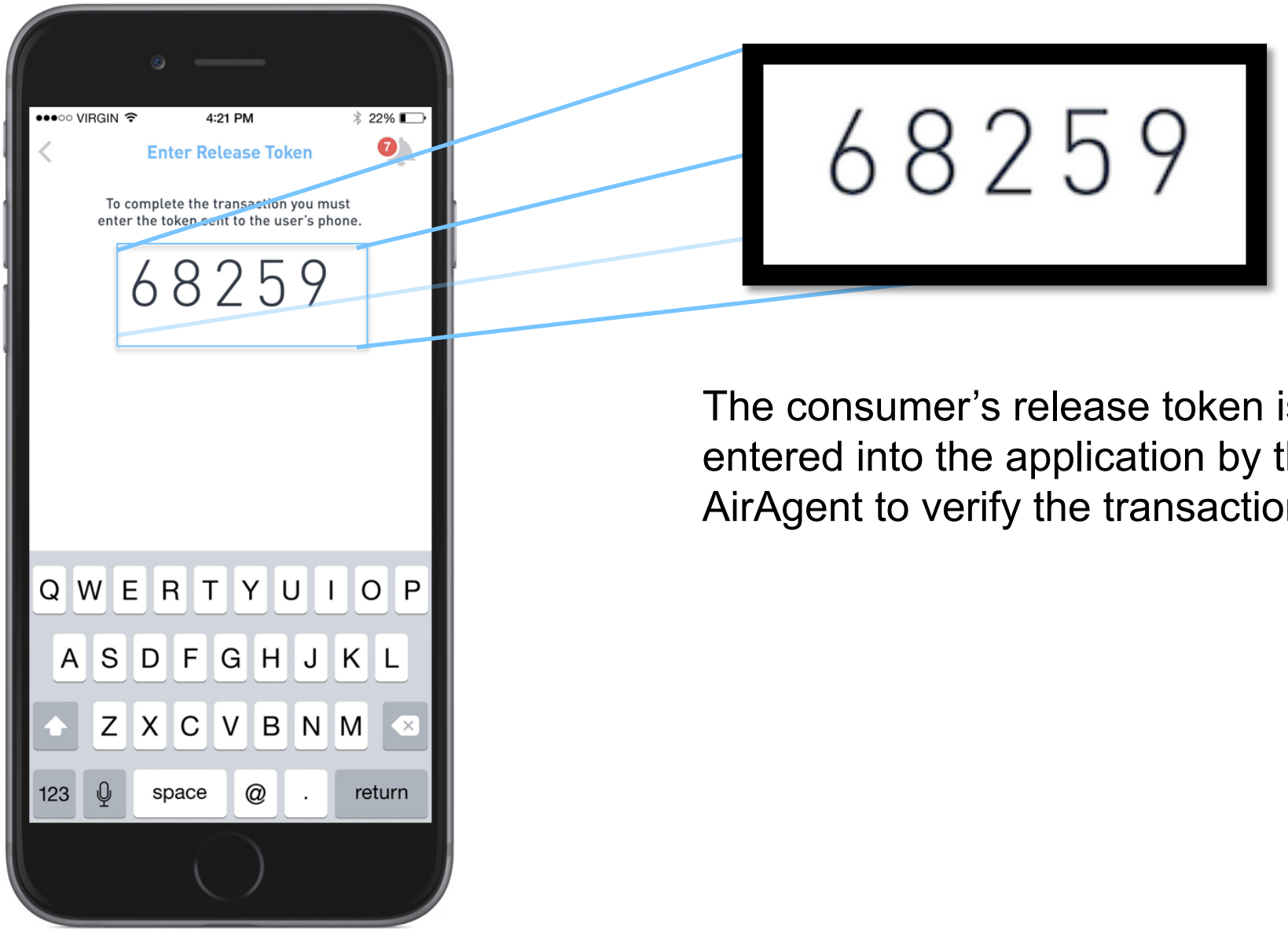
AirAgent: Send Money



The consumer's release token is then entered into the application by the AirAgent to verify the transaction.

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AirAgent: Send Money

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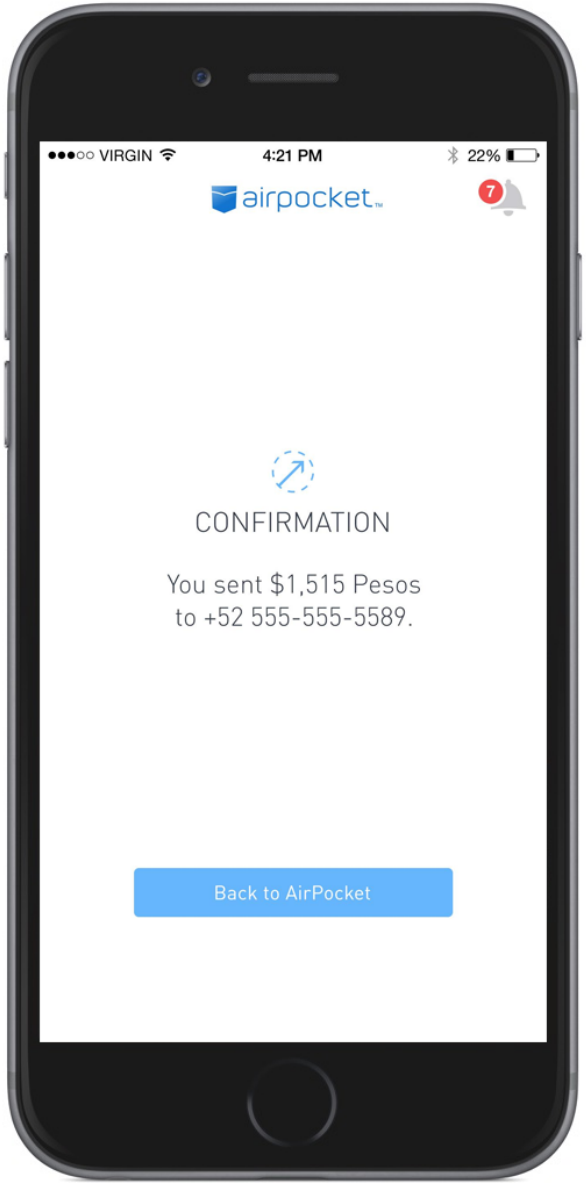

The AirCode is created and sent to both the sender and the receiver. The money has been sent.

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AirAgent: Redeem AirCode

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To redeem an AirCode for a consumer, the AirAgent clicks the blue “Redeem AirCode” button.

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AirAgent: Redeem AirCode

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The AirAgent then enters the consumer's AirCode.

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AirAgent: Redeem AirCode

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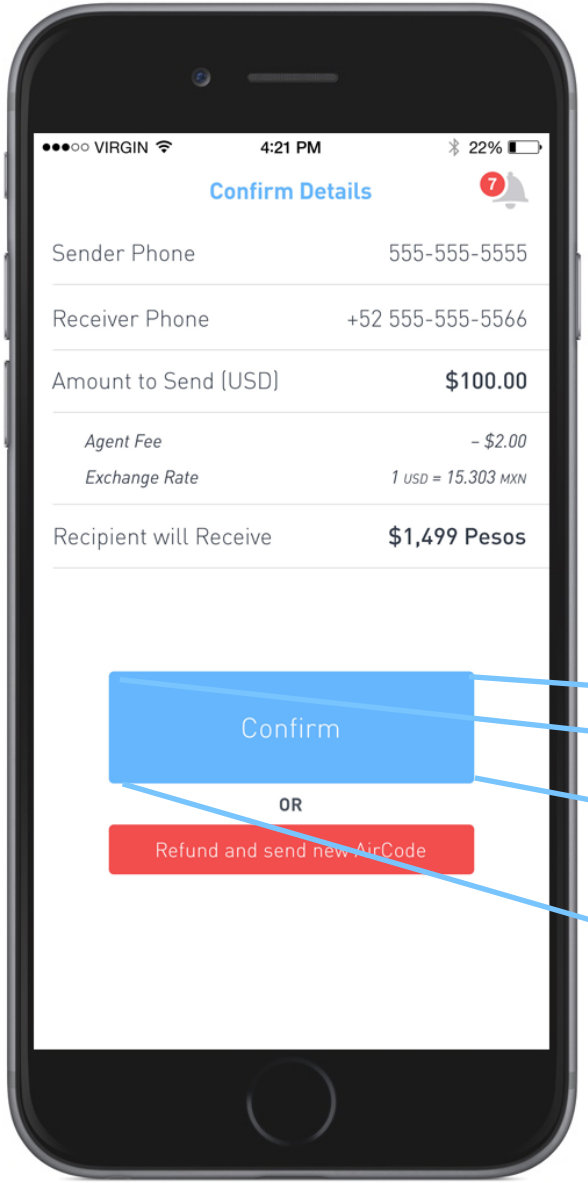

The AirAgent confirms the details are correct and pays the consumer. The AirCode has been redeemed.

The AirAgent's app is locked on this screen until they either confirm or refund, e.g. if they do not have sufficient funds. Refunds are sent back to the recipient by text in a new code.

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AirPocket Interface: Finding an AirAgent

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Find an AirAgent

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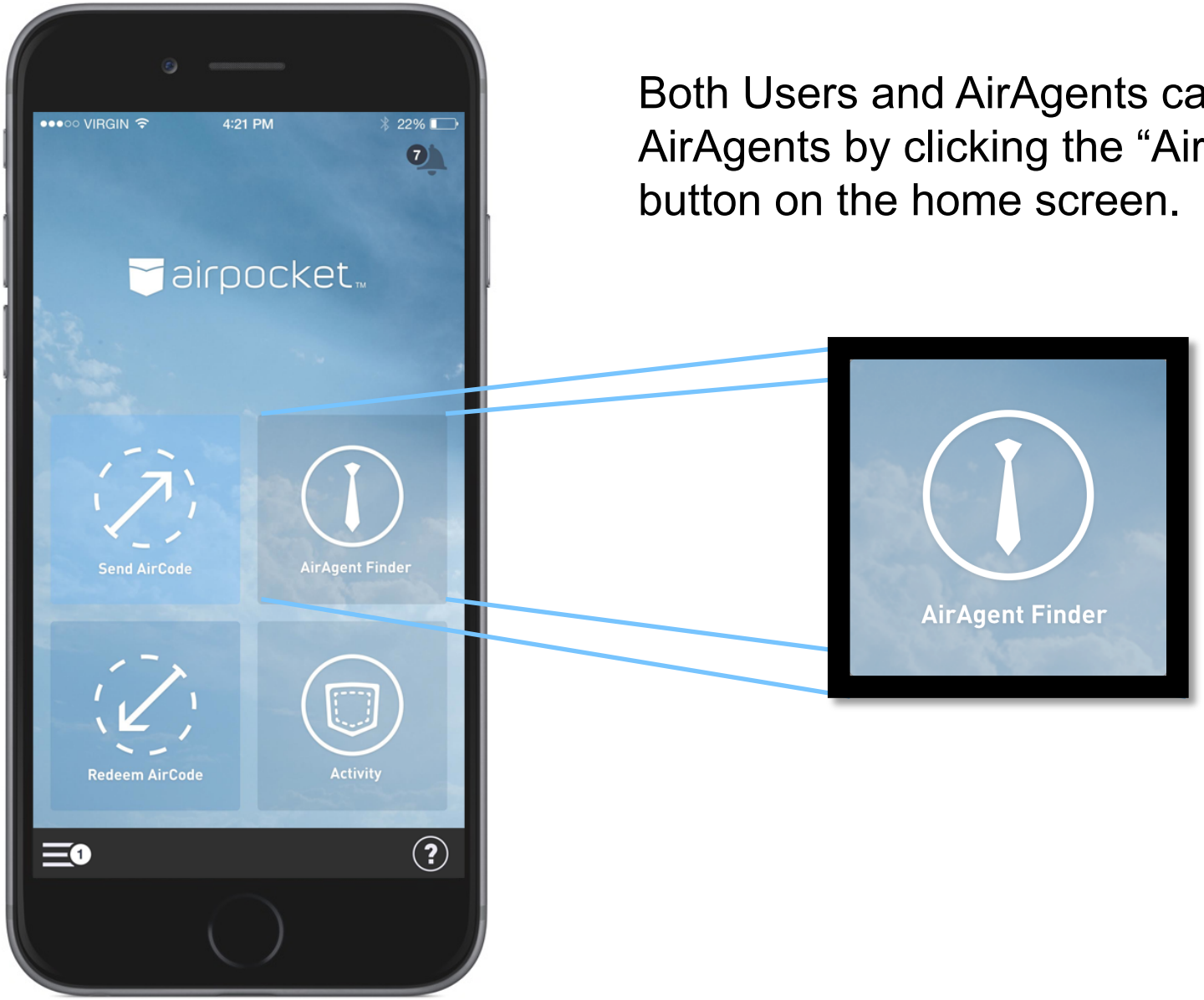
Both Users and AirAgents can locate other AirAgents by clicking the “AirAgent Finder” button on the home screen.



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Find an AirAgent

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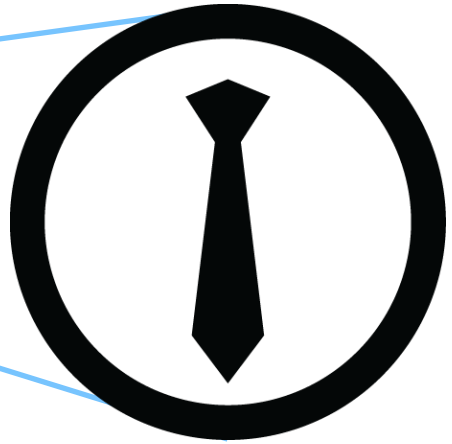
AirAgents and Users can click on any AirAgent pindrop to view the specific location and contact information of the AirAgent.



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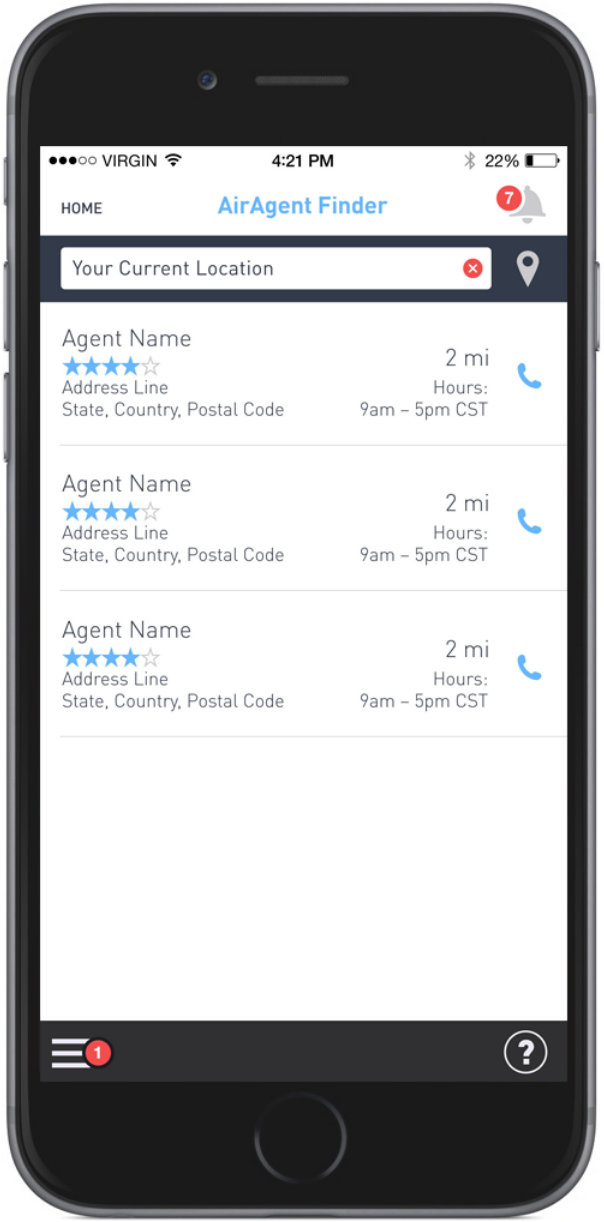
Find an AirAgent



AirAgents and Users can view all AirAgents and their corresponding details in list form.

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Competitive Advantages and the Market

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Traditional Remittance Costs

On average, AirPocket fees are less than half of that of the incumbents

Firm	Service	Fee (USD)	Exchange Rate Margin (%)	Total Cost (%)	Total Fees (USD)
Western Union	Instantaneous, cash-to-cash	$8.00	2.79%	18.79%	$9.40
Ria	Instantaneous, cash-to-cash	$4.00	1.33%	9.33%	$4.67
MoneyGram	Same day, cash-to-cash	$9.99	1.79%	21.77%	$10.89
Wells Fargo	Same day, cash-to-cash	$7.50	2.46%	17.46%	$8.73
Delgado Travel	Instantaneous, cash-to-cash	$6.00	3.78%	15.78%	$7.89
Xoom	Bank account to cash, 2 day transfer	$4.99	2.35%	12.33%	$6.16

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Competitive Advantage

- Sharing economy model (i.e. Uber and Airbnb)
- Easy to use
- Low transaction fees
- Transactions can be executed at any time
- Low infrastructure cost
- Instant micropayments 24 hours a day

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The Market

The current market for cash-to-cash remittances remains dominated by fairly high-cost entities offering storefront locations and mobile apps.

Service costs can vary dramatically between vendors. For example in Mexico, costs can vary up to 130 pesos between the various remittance services (i.e. Western Union, US Postal Service, Xoom). This figure is quite high, as one day of bread in Mexico costs about 15 pesos.

Bank account to bank account transfers are a bit cheaper, but offer limited or no access to the unbanked.

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The Opportunity

Remittance volume to Latin America is growing rapidly, presenting a large opportunity to compete with existing over-priced vendors in the cash-to-cash transfer space.

AirPocket's low infrastructure costs allow for significant profit opportunities, even at low margins.

Easy to deploy in any region with domestic banking, AirPocket allows cash to be transmitted anywhere in the world.

Migrant remittance inflows (US$ million)	2010	2011	2012	2013	2014
Mexico	22,080	23,588	23,366	23,022	24,231
Panama	410	384	402	418	442
Nicaragua	825	914	1,016	1,081	1,150
Dominican Republic	3,887	4,241	4,262	4,486	4,650
Guatemala	4,232	4,524	5,031	5,371	5,862
Ecuador	2,599	2,681	2,456	2,456	2,583
Haiti	1,474	1,551	1,612	1,781	1,954
Brazil	2,754	2,798	2,583	2,537	2,500
Colombia	4,031	4,101	4,109	4,119	4,195
Argentina	639	698	576	526	544
Peru	2,534	2,697	2,788	2,707	2,736
Venezuela, RB	143	138	118	121	123
Total	**45,608**	**48,315**	**48,229**	**48,608**	**50,973**
China	52,460	61,576	57,987	59,491	64,140
India	53,480	62,499	68,821	69,970	71,000

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