

29 January 2016

Company Announcements Office
ASX Limited

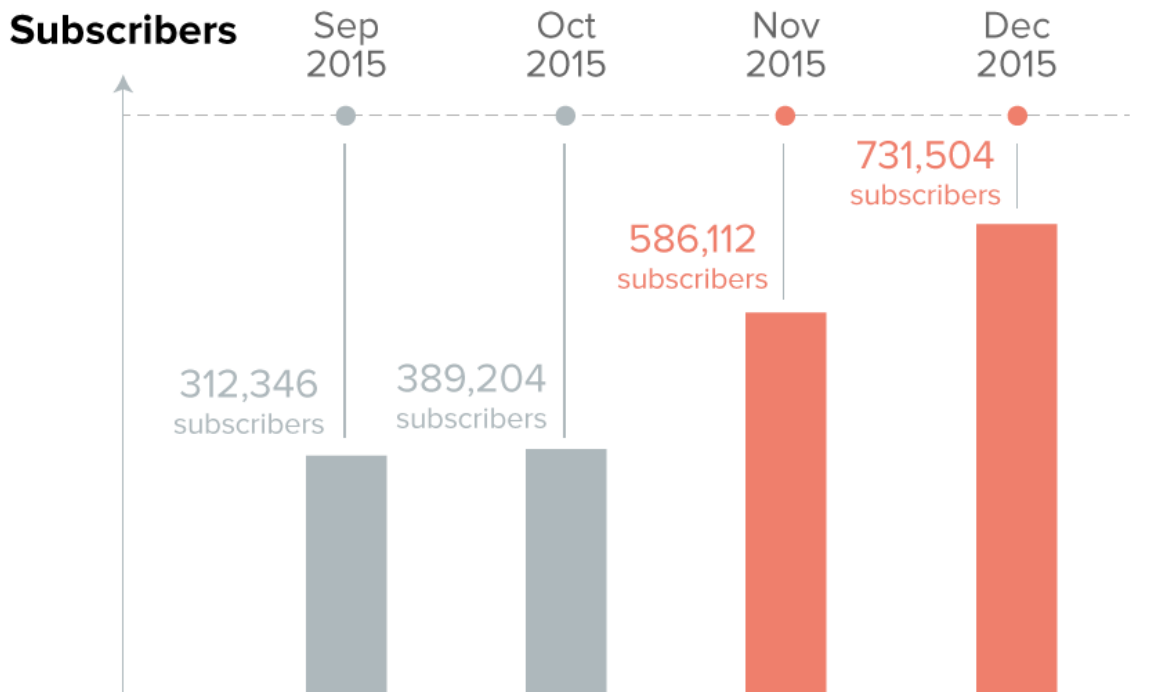
FLEXIROAM SUBSCRIBERS GROW TO OVER 730,000 WITHIN ONE AND HALF MONTHS SINCE THE LAUNCH OF NEW FLEXIROAM MOBILE APP

Highlights:


- **Subscribers for Flexiroam's mobile app that was launched on 24 November 2015, has increased to over 730,000 subscribers by 31 December 2015**
- **Flexiroam achieved extraordinary sales results for the first six months of the financial year 2016 recording total sales of A\$6.0 million, surpassing sales achieved in the full financial year of 2015**

Flexiroam Limited ("the Company") is pleased to announce that its wholly-owned subsidiary Flexiroam Sdn Bhd ("Flexiroam") subscriber base had been increased to 731,504 as at 31 December 2015.

For the period from 1 July 2015 to 31 December 2015, the Company recorded sales of A\$6.0 million, well above the sales achieved in the entire FY15 (1 July 2014 to 30 June 2015) of A\$4.8m



The Flexiroam App is available for free on the Google Play and Apple App Store. The app allows users to communicate with one another for free, over an Internet connection, using its in-built voice, video and messaging features. In addition users will be able to purchase dedicated local numbers from up to 55 different countries, giving users an instant global presence for as low as US\$1 per month. The Flexiroam App features also allow off-net calls, enabling calls from app to landlines and international numbers for as little as US\$0.01 a minute.



- Low cost International calls
- Free voice calls
- Free video calls
- Free messaging
- Voicemails
- Secured + Encrypted communication

App value proposition		
Calling Malaysia while in India costs \$3 per minute		
	Calls you can make with \$3	Value
Regular International Roaming	1 mins	-
Flexiroam App	150 mins	150x

Source: Flexiroam Limited

Commenting on Flexiroam App value proposition to consumers, Flexiroam CEO, Mr Jef Ong, said “To illustrate how Flexiroam App would address the “Bill Shock” for travelers, it can be seen above that where it would ordinarily cost a user \$3 per minute calling Malaysia from India; for \$3 Flexiroam App users would be able to call for 150 minutes!”

The Flexiroam App has been optimised with encryption and voice compression technology to use only 8kbps for calls, which makes it ideal in low bandwidth environments prevalent in most developing nations in the Asia Pacific region.

The Company is capitalising on the new Flexiroam App to appeal to the over 2.6 billion smartphone users¹ worldwide, who are expected to generate about USD53.7 billion in revenue from off-net voice calls by 2017². The Company expects this market to expand even further as unique smartphone users grows, reaching 5.9 billion in 2020³.

ENDS

About Flexiroam Sdn Bhd

Flexiroam is the leading prepaid international mobile roaming service provider focused on allowing consumers to stay connected to their home country, using their existing number, while traveling overseas. Through its innovative wholly-owned technologies, Flexiroam offers international outbound travellers worldwide unlimited flat-rate voice and data roaming services in over 200 countries and territories. To date, Flexiroam has saved global travellers over USD7.5 million on roaming charges.

¹ Ericsson Mobility Report June 2015 URL: <http://www.ericsson.com/res/docs/2015/ericsson-mobility-report-june-2015.pdf>

² Marketwired (2013) URL: <http://goo.gl/PHxqcR>

³ GSMA, The Mobile Economy 2015 URL: <http://goo.gl/cugZnf>

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Flexiroam listed on the Australian Securities Exchange (“ASX”) in June 2015, with the goal of rapid growth and global expansion. Flexiroam has over 730,000 subscribers and partnerships with over 100 travel agencies and is poised to become a formidable name in the international mobile roaming marketplace.

For more information, please contact:

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Flexiroam Limited (previously Island Metals Limited)

ABN

27 143 777 397

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	2,681	3,922
1.2 Payments for (a) staff costs	(283)	(448)
(b) advertising and marketing	(216)	(363)
(c) research and development	-	-
(d) leased assets	(36)	(36)
(e) other working capital	-	-
	(2,779)	(4,351)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	50	84
1.5 Interest and other costs of finance paid	(2)	(4)
1.6 Income taxes paid	-	-
1.7 Other – government grant received	1	18
Net operating cash flows	(584)	(1,178)

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admitted on the basis of commitments

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(584)	(1,178)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(96)	(126)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans repaid to other entities	-	(71)
1.12 Loans repaid by other entities	-	-
1.13 Other – convertible notes	-	50
Net investing cash flows	(96)	(147)
1.14 Total operating and investing cash flows	(680)	(1,325)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	69	69
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	69	69
Net increase (decrease) in cash held	(611)	(1,256)
1.21 Cash at beginning of quarter/year to date	7,813	8,624
1.22 Exchange rate adjustments to item 1.20	65	(101)
1.23 Cash at end of quarter	7,267	7,267

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	226
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

1. Director fees and salary; and
2. Accounting, company secretarial and office services;

Includes amounts paid to entities associated with the Directors'.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	7,267	7,813
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	7,267	7,813

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
 (Director)

Date: 29th January 2016

Print name: Jeffrey Ong

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Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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