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Australian Securities Exchange (**ASX**)
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

WANGLE MARKET UPDATE

ACMA & CAC Subscriber Information Collection

The Apple Review process imposed delays specifically due to Wangle Technologies' (**Wangle**) collection of subscriber information such as address and phone number. Apple believed the Company did not need to collect these in order to provide its service to customers. For this reason the binary for 0.1.35 was initially rejected pending further review.

Wangle is required to collect this information in accordance with Australian law. In particular it must retain a data set including subscriber contact, address and telephone number as a Carriage Service Provider (**CSP**). There is no legal way for the Company to provide its service in Australia without complying with its obligations as a CSP.

As a VPN service the Australian Communications and Media Authority (**ACMA**) (<http://www.acma.gov.au/>) has classified Wangle as a CSP which in turn imposes responsibilities to capture and retain information about customers and their use of our service (Data Retention Responsibilities). These responsibilities are detailed in the Australian Telecommunications (Interception and Access) Act of 1979 (**Act**) (http://www.austlii.edu.au/au/legis/cth/consol_act/taaa1979410/).

The relevant sections of the Act are: "187A (general definition of data collection and retention obligations)" and "187AA (specific definition of data collection and retention obligations)".

Apple Review Outcome Relating to Subscriber Information Collection

After receiving complete references to the Act and specific sections under which Wangle's responsibilities were detailed the Apple Review team thanked Wangle, apologised for the delays associated with this form of review and conducted the actual functional review of the application. Version 0.1.35 was subsequently approved.

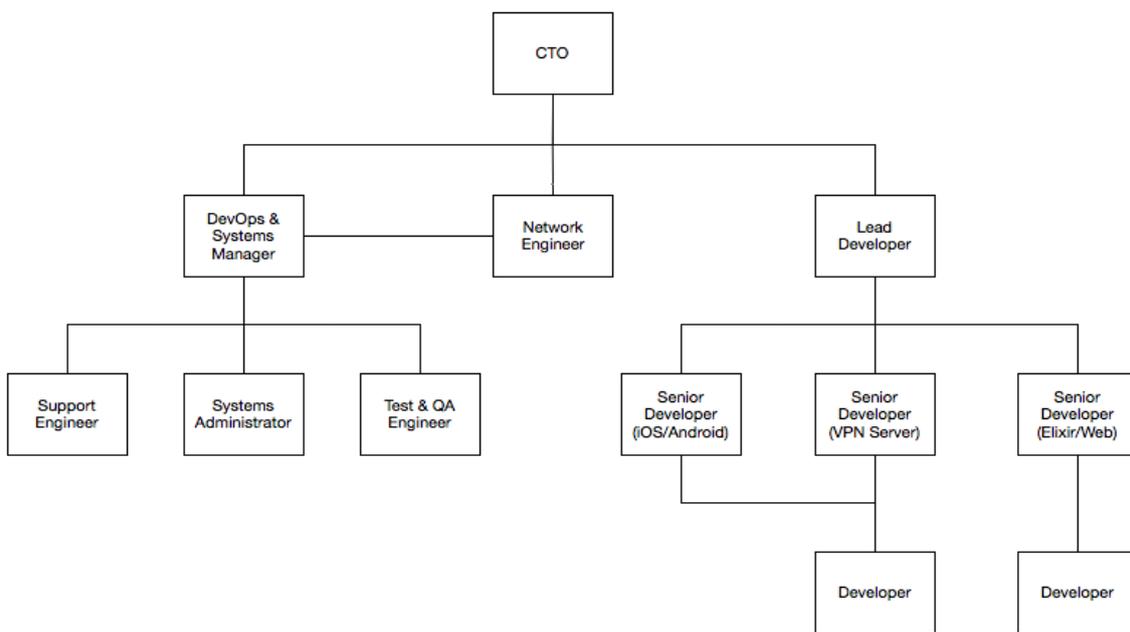
In bringing this information and the associated responsibilities of a CSP under Australian law to Apple's attention it is expected other applications (nor related to Wangle) on the App Store will in turn be subjected to the same scrutiny.

Although ACMA and Communications Access Coordinator (**CAC**) will not provide any comment on the compliance of other VPN operators in Australia, the Company's own internal review of a number of applications currently available in terms of both their signup process, and terms & conditions would indicate that they are not compliant. This could become a significant advantage for Wangle which has been commended for its effort to achieve compliance and proactively engage with the ACMA and CAC.

With approval to collect the relevant subscriber information achieved, Wangle has now focused all resourcing on the submission of version 0.1.50 to the App Store for review. This build includes significant improvements, new features and provides users with access to newly provisioned server infrastructure in Brisbane and Melbourne.

The Wangle Technology & Operations Team

In line with the Company's focus on delivering improved performance and continuing the development of the Wangle platform and its associated product lines, the Technology and Operations team has grown to a team of twelve specialists. This team is responsible for delivering the various products to market, and also for the ongoing support and maintenance of these products. The team is currently comprised of the following positions:



Release of 0.1.50 and Subsequent Re-launch

Since entering into voluntary suspension the Technology and Operations team has focused on completing a range of new features, releasing a number of performance improvement features, deploying new server infrastructure and resolving outstanding issues identified since the Wangle App was first released to the public. Together these items have been identified as version 0.1.50. The team is pleased to report that significant progress has been made on all aspects of the 0.1.50 release with the majority of features currently being tested ahead of submission to Apple for review.

The following provides a high-level summary of key platform features that will be made available with the 0.1.50 release due for submission and associated approvals from Apple in the coming days.

- Fixes for a range of significant issues affecting data usage and performance, including resolution of connectivity issues experienced by some users and resolution of data consumption issue associated with certain network conditions that caused increased usage while connected.
- Improved performance when accessing http/s content through the VPN, which in turn reflects better speed results in many testing solutions.
- Manual server location selection, allowing users to select their preferred and/or closest server location through the App.
- Access to new server locations (POPs) in Brisbane and Melbourne, ensuring that users across Australia can realise the best connection performance and overall experience possible.
- The Android client has been updated to match functionality present in the iOS version and a source code protection solution has been implemented.
- The VPN Server component has been enhanced to support higher numbers of users per server, live configuration deployment and the ability to operate in a stand-alone environment (eg Perth, Brisbane and Melbourne POPs).
- The Stats and Meta-data Processing component has been re-implemented in the Elixir programming language, and reworked to support significantly higher throughput and greater levels of concurrency.

In addition to the above items, significant progress has been made on the integration of In-App-Purchases to the existing billing and customer management layer. This feature was imposed on the Company by Apple following the lodgement of an earlier build for review which included the ability for users to register and pay online (via a secure website) for the service. Although efforts were made to appeal the decision by Apple to impose this requirement, Apple's decision to impose their payment solution was upheld. Accordingly a team of developers has been working to add support for this feature to the platform. Although not included in the official 0.1.50 feature set, support for In-App-Purchases is expected to be available shortly after its release, removing the last technical impediment to commercialisation.

Based on the current status of the development push for 0.1.50 the Company will be in a position to make further comments on the expected submission date shortly. Once submitted it is not anticipated any significant delays will be imposed by the review process, however it is worth noting that this cannot be guaranteed.

End-to-End Testing & Network Data Capture Facility

In addition to feature development and the deployment of new server infrastructure, the Technology and Operations team has also completed work on an improved testing environment that is capable of capturing key statistics and network data across a range

of networks and scenarios that were previously not available. This facility has already allowed the team to identify the source of a number of issues reported by users and will provide an invaluable toolset to the development team moving forward. This facility essentially allows the Company to achieve visibility into low-level detail of how differing network conditions and types impact the performance of the solution and the Company sees it as a key step in ensuring that performance and data savings targets are delivered to the widest audience possible. The facility will also underpin the development of a robust set of performance and data-savings assertions to be maintained moving forward.

- ENDS -

For further information, please contact:

Wangle Technologies

Loren Jones
Company Secretary
p: +618 6489 1600
info@wan.gl

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