

23 July 2014

LANDMARK SUPPLY AGREEMENT WITH TRAFALGAR FOR 17,000+ SIMS

- Agreement to be exclusive supplier and distributor of international SIM cards to Trafalgar customers globally
- Expected distribution of over 17,000 AussieSim Cards during initial term of the agreement
- Initial six month supply agreement to commence 1 August 2014, with 12 month renewal option by mutual agreement
- Expected to materially impact revenues for H1 2015 financial year
- Important endorsement and validation by major global travel group
- Significant expansion potential for other agreements with Trafalgar associated entities who account for over 500,000 travel packages per annum

ZipTel Limited ("**ZipTel**" or "the **Company**", ASX: ZIP) is pleased to announce that it has today, entered into an exclusive agreement with Trafalgar Tours (Aust.) Pty Ltd ("**Trafalgar**") to supply and distribute ZipTel's AussieSim mobile products to all Trafalgar customers travelling during the six month period from August 2014 to January 2015.

AussieSim, a wholly owned subsidiary of ZipTel, will provide roaming solutions for all Trafalgar's outbound Australian travel customers, offering savings of up to 95% of talk, text and data.

Under the agreement, Trafalgar will distribute AussieSim starter packs as part of its outgoing travel documents for each traveller, prior to departure to ensure maximum uptake from users.

Each Trafalgar customer will receive an AussieSim card free of charge and upon activation customers will receive \$10 worth of included credit. The historical average revenue per user ("ARPU") for each activated AussieSim card is circa \$95. Depending on the level of activations and credit 'top-ups' undertaken by the 17,000+ secured travel bookings for Trafalgar customers, ZipTel expects revenues to materially increase in H1 2015 financial year as a result of this agreement.

Importantly, this continues to demonstrate strong growth in sales for AussieSim, market recognition for the product and increased brand awareness. ZipTel remains in discussions with Trafalgar and its associated entities who account for over 500,000 international travel packages annually worldwide. Significant expansion potential exists to provide similar AussieSim mobile products to these entities.

ZipTel's Co-founder and Executive Director, Keaton Wallace commented:

"We are delighted to announce this landmark supply agreement with Trafalgar which provides strong validation of our product offering from one of the world's leading travel groups.

Importantly, we view this agreement as being a unique opportunity and key platform to accelerate the global commercial rollout of our AussieSim product."

-Ends-

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About Trafalgar

Trafalgar Tours (Aust.) Pty Ltd ("Trafalgar") provides guided holidays to over 200 destinations worldwide. Trafalgar is part of The Travel Corporation which has been operating for over fifty years (since 1947) in over 60 countries with 35 offices around the world and more than 10,000 staff, serving over 1.5 million customers, annually.

Trafalgar has offices in Australia, Canada, China, New Zealand, Singapore, South Africa, the UK and the USA. It operates guided tours across six continents. Trafalgar specialises in providing local experts and guides, offering a variety of package options for individuals, couples, groups and families.

About AussieSim

AussieSim is a wholly owned subsidiary of ZipTel (ASX: ZIP). AussieSim is an international pre-paid travel sim card offering consumers up to 95% savings on talk, text and data whilst travelling overseas across more than 180 countries.

Over the past two and a half years AussieSim has developed a fully integrated retail and online trading solution for the travel sim marketplace. This includes, infrastructure, such as SMS based top up technology, along with a call forwarding platform, which enables customers to receive international calls on their Australian mobiles while travelling overseas. AussieSim has direct partnerships with a number of international telecommunications networks. It has also developed an online trading platform which is scalable, can be rebranded, and is capable of being deployed offshore with domestic currency and different languages. For more information please visit <http://www.aussiesim.com.au>.

About ZipTel

ZipTel is an Australian owned and operated telecommunications business focused on providing international roaming and calling solutions to the consumer, using state of the art technologies developed and wholly owned by ZipTel Limited. ZipTel listed on the ASX in July 2014 with its core focus primarily on the distribution of three core communications products, both domestically and internationally.