

ASX RELEASE

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ZipT Commercialisation Strategy Finalised to Acquire Over 10 Million Users

Highlights

- Existing Distribution Agreements already in place to acquire initial 5.6m users within 12 months.
- Successful \$5m placement enables revised strategy to target over 10m
- User acquisition focused on a three phase roll out strategy.
- Word of mouth and App "virality" has the potential to significantly increase the targeted user numbers.
- Performance based user acquisition strategy provides a low cost subscription model with little risk - ZipTel to pay on successful downloads only.
- ZipT App only a few weeks away from launch in December 2014.
- Refer to educational video and become a ZipT founding VIP member by visiting <u>www.zipt.com</u>

ZipTel Limited (ASX:ZIP) ("the Company"), an Australian owned and operated telecommunications business is pleased to provide an update on its ZipT App, ahead of the imminent global launch in December 2014.

Over the past few months the Company's core focus has been to develop and bring to market its flagship ZipT App product. ZipT is a mobile based international communication application that allows consumers to SMS and make international calls for free, App to App, or at low cost to any landline or mobile globally.

Ahead of its December launch, the Company has put in place an active roll out strategy to acquire a significant user base of over 10m users.

ZipTel set out to aggressively acquire customers through the global distribution agreements secured with Mpire Media, a performance-based online and mobile marketing solutions provider and Airloyal, one of India's leading digital mobile advertising companies, on a pay per download basis.

The agreement with Mpire to provide online and mobile marketing services is an initial contract to acquire a minimum of 1 million users and gives ZipTel access to over 500 app marketing agencies in over 180 countries. The distribution agreement with Air Loyal provides ZipTel with access to millions of users on Air Loyal's flagship platform, Ladooo. The agreement is to deliver a minimum of 1 million subscribers in the exponential growth Indian market. Both agreements are structured on a pure cost to acquisition basis, which will see payment based on each successful app download and does not factor in any organic traffic obtained due the natural virality of the product and how it rates in the 'Top Downloads charts'.

The roll out strategy has been developed to leverage available resources to achieve maximum customer acquisition results and high customer growth levels through performance based marketing and strategic organic growth methods.

Phase One – Pilot Test Phase – Month One to Three

The initial phase, commencing upon commercial launch of the application will see the Company test the performance of the application across 50,000 users. The key target markets which the test will be conducted in are India, USA, Malaysia, South Africa- and Brazil whereby users will be profiled and monitored in regards to the apps performance.

Phase Two – Load Test and Optimise – Month Three to Six

The second phase will be scaled out to 500,000 new users with a focus on increasing ROI and optimisation of the application. ZipT will conduct full analytics on user retention of customers, identification of choke points and ready the App for significant scale.

Phase Three – Scale and Full Deployment – Month Six onwards

The final stage of the roll out strategy targets an acquisition rate of 1 million users per month. With an initial user acquisition of 5 million in this period, the Placement funds will enable an accelerated process to target over 10 million users. To achieve this level of growth ZipTel will be launching social media campaigns and marketing initiatives globally across a variety of different forums, entering into paid traffic agreements to drive customers into downloading the app and further incentives and offers will be promoted to the existing user base.

ZipTel's Co-founder and CEO Bert Mondello commented:

"We've worked tirelessly to get to this stage and over the past few months we have not only been focused on the ongoing testing of the application but on devising a targeted and seamless roll out strategy. The recent capital injection to the business via the share placement has given us the additional funding required to aggressively scale up our marketing efforts upon the application launch and to target a high level of customer acquisition and growth throughout the next year."

With the official global launch of the ZipT app fast approaching, ZipTel is undertaking a promotional offer to the first 50,000 users who register on the site at www.zipt.com. The first 50,000 users will become founding VIP ZipT members and will get access to exclusive promotional offers when the App is launched.

ZipTel Limited

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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.

About ZipT

ZipT is a mobile based international communication application that allows consumers to SMS and make international calls for free, App to App. The application is able to call any landline and mobiles at some of the world's lowest rates. ZipT has the ability to deliver crystal clear sound quality in lower bandwidth data environments and allows consumers to retain their existing phone number, service provider and SIM card, with no lock-in contracts. ZipT does not require an sim card and can be installed on any Smartphone. ZipT uses less data than similar products already available on the market, and is compatible with Wi-Fi or any other mobile network.

For more information visit <u>www.zipt.com</u>.

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 www.aussiesim.com.au.