

ASX ANNOUNCEMENT

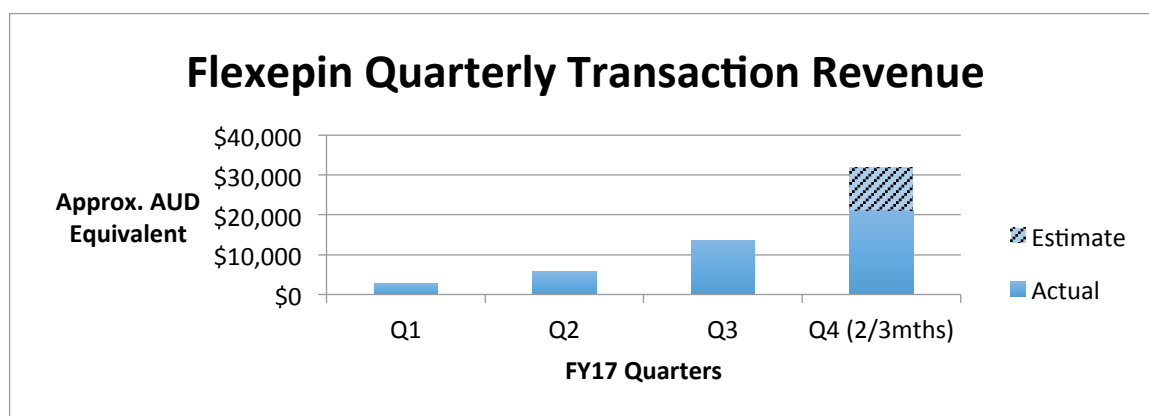
13 June 2017

## Bitcoin Powering Flexepin Growth

### Highlights:

- Stellar growth in Flexepin revenue in current quarter
- Major use case for purchase of Bitcoins and crypto currencies
- Continued expansion of the platform and service
- Group driving towards targeted profitability in FY 2018

**Novatti Group Limited** (ASX: NOV, “Novatti” or the “Company”) is pleased to announce that its Flexepin payment network has accelerated its growth, with quarterly revenue on track to roughly double in each quarter of FY 2017. Specifically, the total revenue for the two-month period of April and May was approximately equal to the sum of all preceding months’ revenue in FY 2017.



### Flexepin is a major way for consumers to buy Bitcoins and Crypto Currencies in Canada

For many consumers to buy Bitcoins and crypto currencies, Flexepin provides a simple and secure method for them to transfer funds to a distributor or exchange to make their purchases. Flexepin is increasing its Bitcoin and crypto currency merchant base and expects continued strong uptake from this sector. Flexepin is currently available to consumers at approximately 6,000 retail outlets in Canada.

### Platform growth

Flexepin continues to add countries for distribution along with merchants that accept Flexepin cash vouchers as online payment for goods and services. In FY 2017 Flexepin has been fully operational in Canada and Australia, with operations now commencing in Cyprus and Greece. Flexepin is currently updating its service to meet

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PSD2 and 4AMLD regulations and directions due in the UK and Europe from 27 June 2017 and will accelerate the Flexepin rollout to additional countries worldwide during FY 2018.

Flexepin is also progressing projects to help businesses manage their internal payment processes by providing special customised voucher applications and services. Payground in Sweden are utilising specialised services from Flexepin for their internal processes in the Nordic region.

### **Targeting Novatti profitability in FY 2018**

Growth in the transaction business operations of Novatti is evident in these Flexepin results and is also being seen in the company's China Payments business, Flexewallet (AFSL) operations and in Transferbridge. This growth in the transactions business is underpinned by the base line recurring revenue from Novatti platforms along with the newly acquired basis2 business unit, and it sees the Company well placed for its' goal of profitability in FY 2018.

For further information, contact:

**Peter Cook**

CEO

+61 411 111 153

[www.novatti.com](http://www.novatti.com)

Media Enquiries:

**Melissa Mack**

[melissa.mack@mcpartners.com.au](mailto:melissa.mack@mcpartners.com.au)

+61 430 119 951

### **About Novatti Group Limited**

Novatti, an Australian-based company, is an award-winning global software technology and payment services provider. Both through technology and services, Novatti helps economies, corporations and consumers digitize cash transactions. Novatti's robust and efficient software solutions include Consumer Digital Wallet, Branchless banking, Mobile Money, Bill Payments, Remittance Services and Voucher Management Systems. Novatti's transaction processing services include Flexepin, an open loop cash voucher service, TransferBridge, a global remittance network and China Payments for processing of Chinese payment methods such as WeChat Pay and Alipay in Australia.

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