

Syntonic signs first DataFlex™ Reseller Agreement

Highlights:

- Syntonic has secured value-added service provider AKTAY A.S. as a non-exclusive reseller of Syntonic DataFlex, the Company's B2B mobile split billing and business analytics service
- Agreement will commercialise Syntonic DataFlex through enterprise sales to business customers in Turkey's 38 million addressable smartphone market
- Under the terms of the agreement, AKTAY A.S. agrees to meet or exceed an aggregate minimum gross revenue, subject to a sales commission, of US\$5,000,000 between the calendar year 2018 to the calendar year 2021
- If the minimum gross revenue for any given year is not achieved, AKTAY A.S. will be liable to pay Syntonic the full amount for that given period and will forego its rights to receive its sales commission until the applicable minimum amount is paid
- Commercial launch in the dynamic Turkish market presents an ideal launchpad for broader monetisation of Syntonic DataFlex, with several additional resellers and major customers recently identified at MWC 2018

Seattle, United States – Syntonic Limited ("Syntonic" or "Company") (SYT.ASX), a mobile platform and services provider, is pleased to announce that it has executed a Syntonic DataFlex reseller agreement ("Reseller Agreement") with AKTAY A.S. ("Aktay"), a value-added telecommunications service provider in Turkey.

Aktay has agreed to become a non-exclusive reseller of Syntonic DataFlex, the Company's B2B mobile split billing and business analytics service, to enterprise customers in Turkey.

Gary Greenbaum, CEO and Managing Director of Syntonic, commented:

"We are delighted to expand our existing relationship with Aktay through this new commercial agreement. The reseller contract highlights the growing commercial interest in Syntonic DataFlex and fast-tracks market penetration. The momentum we're building with distributors is directly helping us with the aim of transforming the mobile industry, broadening the commercialisation of Syntonic DataFlex, and delivering value to enterprise customers, partners and shareholders."

Syntonic DataFlex services enable mobile split billing and analytics on employee smartphones, to reduce enterprise mobile spending and boost workforce productivity.

Aktay brings established relationships with the leading carriers in Turkey, the 2nd largest market in Central and Eastern Europe with over 38 million smartphone subscribers.¹ Aktay's leadership has extensive experience with enterprise sales in their previous roles in advertising, media, aviation, and information technology focused companies.

Kaan Ketenci, COO of Aktay, commented:

"We're delighted in our partnership to bring Syntonic DataFlex to market. Syntonic's enterprise solution is well-positioned to successfully meet the growing employer demand of managing the costs and data use of mobile devices in Turkey's workforce."

Reseller Agreement

Key terms of the Reseller Agreement as follows:

- Syntonic grants Aktay the non-exclusive right to promote, market and resell the Syntonic Dataflex service to Aktay's customers within Turkey, Greece, Ukraine, Azerbaijan and Republic of Cyprus ("Territory");
- the Reseller Agreement will be effective until 31 December 2021;
- Aktay is entitled to a commission of 50% of all revenue collected by Aktay from its customers in the Territory ("Customer") for the Syntonic Dataflex service, other than revenue derived from the base set-up fee ("Eligible Gross Revenue");
- each contract entered into between Aktay and a Customer must be for no less than a 12 months minimum subscription, unless otherwise agreed by Syntonic in advance on a case by case basis;
- Aktay agrees to meet or exceed US\$5,000,000 of Eligible Gross Revenue for the term of the Reseller Agreement, with minimum amounts per year as follows:
 - to date through December 31, 2019: US\$1.25 million;
 - calendar year 2020: US\$1.5 million; and
 - calendar year 2021: US\$2.25 million;
- in the event that the Eligible Gross Revenue for a given year is below the applicable minimum amount detailed above, Aktay shall pay to Syntonic 100% of the Eligible Gross Revenue for that year and forego rights to any sales commission it would have otherwise received starting January 1 of the following year until Syntonic has received the amounts it would have received under the applicable minimum amount for the prior year;
- in the event any applicable minimum amount detailed above remains unpaid by June 30 of the following year, Aktay shall pay the shortfall to Syntonic immediately; and
- Aktay will be entitled to receive a bonus payable in cash if it can execute contracts with 10 companies by 30 June 2018 and execute an additional 20 companies by 30 September 2018.

¹ eMarketer, Oct 2017



The Reseller Agreement is an appendix to a partner program agreement between Aktay and Syntonic ("Partner Program Agreement") which provides for each party having termination rights upon the non-remedial breach of the Partner Program Agreement or non-compliance with applicable laws in the exercise of its rights and performance of its obligations under the Partner Program Agreement (these provisions also apply to the Reseller Agreement).

About AKTAY

Aktay, A.S. is a value-added telecommunications services provider, majority owned by a family fund that has an established track record of growing international companies, resulting in successful acquisitions. Founded in 2017 and headquartered in Istanbul, Turkey, Aktay is led by an executive team that has over 45 years of combined experience in advertising, media, aviation services, and information technology.

About Syntonic

Syntonic Ltd (SYT.ASX) is a Seattle based software company which has developed two mobile technology services: Freeway by Syntonic®, which allows consumers unlimited mobile access to content and applications, supported by subscription and sponsorship; and Syntonic DataFlex®, which enables businesses to manage split billing expenses for employees when they use their personal mobile phones for work. Founded in 2013, Syntonic has developed worldwide strategic partnerships with leaders in the mobile ecosystem.

To learn more about Syntonic, visit www.syntonic.com

For further enquiries, please contact:

Gary Greenbaum

CEO and Managing Director, Syntonic
E: ir@syntonic.com

Tim Dohrmann

Investor and Media Enquiries
E: tim@nwrcommunications.com.au