21 November 2016: ASX Company Announcements Platform

FirstWave launches Amazon Web Services-based cloud security service for Telstra's SME customers

Highlights:

- **The cloud security service is based on world's leading, cost effective cloud offering, Amazon Web Services – to be marketed as FirstCloud**

- **Near-term revenue opportunity for FCT – first revenue from SME market expected in Q3 FY2017**

- **A large addressable market for FCT – 20,000+ Telstra's SME customers will be targeted as well as broader SME sector outside of telco channel**

- **FirstCloud delivers leading-edge enterprise integrated virtual firewall security technology at a price point that is appealing to the SME market**

- **FCT to also integrate other leading cloud utility platforms SoftLayer and Azure into FirstCloud**

Leading Australian Cloud Security technology company, **FirstWave Cloud Technology Limited (ASX:FCT) ("FirstWave"),** is pleased to announce a new revenue stream with the launch of **FirstCloud,** a virtual firewall security platform for the SME market built on the world's most recognised and cost effective cloud security service infrastructure, Amazon Web Services (AWS).

This is a significant revenue opportunity for FirstWave with the SME sector being a very large addressable market currently underserviced in terms of cloud security offerings. First revenue will occur in the third quarter of FY2017 (next quarter) with Telstra's 20,000+ SME customers being the immediate focus. FCT will also look to market the platform to the broader SME market outside of its telco channel.

FirstCloud is an agile and flexible SME firewall solution that will help reduce operational complexity and costs through standardised deployments, and provide greater customer control of security policies. FirstCloud is delivered using FCT's unique integrated Cloud Content Security Gateway (CCSG) architecture on the world's leading cloud infrastructure, Amazon Web Services (AWS).

This is a significant addition to FirstWave's security SME offering that fills a large gap in a telco's virtual NGFW services to their SME customers. FirstCloud also builds on FCT's Palo Alto Networks MSSP partnership following the integration in July of Palo Alto's Next Generation Firewalls (NGFW) into FCT's telco platform.

FirstWave's Managing Director, Steve O'Brien said: "FirstCloud is a service that we have developed in-house and will generate revenue from the next quarter. Again, the benefits of partnering with a leading telco give us a large and readily addressable market with Telstra's 20,000+ SMEs being our immediate targets. Also, the wider SME market in Australia will be a focus for our sales efforts and present additional revenue opportunities.

"Establishing FirstCloud on the AWS infrastructure was a coup for our team and achieved within five weeks. Our focus now is to broaden the take up of FirstCloud by integrating other leading cloud utilities, SoftLayer and Azure, into the platform. This means we can tap a much broader segment of the SME market that already run these platforms. With AWS, SoftLayer and Azure, we will have the best SME firewall offering in Australia.

"FirstCloud's sales cycle is likely to be significantly shorter than that of our larger enterprise contracts given new sales will not be tied to larger, multi-faceted cloud security contracts. As contracts from FirstCloud materialise, it will progressively diversify our growing recurring revenue base which is building as a result of our growing SaaS offering."

Mr O'Brien said FirstWave will shortly report on new contracts with Telstra's Enterprise and Government customers and confirmed that bidding activity across all of FirstWave's security offerings is at record levels.

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  Follow FCT on its Twitter investor relations feed: https://twitter.com/Firstwave_FCT

About FirstWave Cloud Technology
Australian cloud technology company, FirstWave, operates a technology business in the burgeoning cloud based IT managed security services market, having created an intelligent carrier grade cloud security platform for business. First Wave has delivered Software as a Service (SaaS) solutions since 2004 in a form similar to what we call "cloud" today and has a long standing relationship with Telstra. FirstWave offers a comprehensive cloud security and analytics technology solutions suite that, along with advanced mail, web & NGFW content controls, now offers unified, integrated x-threat vector advanced malware protection technology solution for any business or enterprise moving to or operating in the cloud. Over 300 customers already trust FirstWave including the largest Australian financial institutions, state and federal government, utilities, ASX listed and private companies in the mining and retail sectors. www.firstwave.com.au