

IODM Limited

December Quarter 2017 Report and Update

Highlights

- **Appointment of new Director with extensive Software sales expertise**
- **Successful execution of change of Executive structure to better focus on sales generation**
- **Signing of EC Credit Alliance**
- **Improved brand awareness via social media and marketing campaigns**

Cloud and desktop based automated accounts receivable and operational efficiency solution IODM, IODM Limited (ASX: IOD) (“IODM” and “Company”) is pleased to provide a report of its activities for the quarter ending 31 December 2017.

During the quarter the company announced the appointment of Mr David Ireland to the Board as a Non-Executive Director. David has over 30 years’ experience in the information and communications technology industry, including 27 years with Unisys and brings to the Company a wealth of experience in the sale of enterprise solutions to large companies and Government. Although David has only been on the Board for a short period of time, his insight and input to the sales process and in particular closing out sales opportunities has been invaluable.

During the December quarter the Company continued to see signs that product acceptance, focussed on ‘enterprise’ style clients delivering material prospective revenue growth is beginning to take traction. Previously nurtured strategic alliances began to convert to commercial arrangements. The Company continues to gain and maintain momentum and credibility in the corporate sector due to positive brand awareness and marketing campaigns, which has led to a significant number of proposals being prepared for medium to large corporate clients.

In this quarter, we engaged with a lead generation company based in Melbourne, who have commenced introducing IODM to over 400 medium to large corporates focussing on the logistics and medical sectors. Already we have received interest with positive feedback. This program is proving to be successful and we will continue with the program to enter into other market sectors.

Whilst acknowledging that a material growth in revenue is critical, the Board continues to focus on the reduction of monthly operating costs by refining and restructuring operational processes with operational costs (before receipts) contained to circa \$ 80,000 per month.

IODM Limited

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Sales & Marketing Update

In addition to the 'enterprise' sales activity, throughout the quarter IODM has also continued to build the pipeline within the SME – small corporate and accountancy market with a many of these accounts expected to generate revenue in early 2018.

A new pricing model/licencing agreement announced last quarter has been positively received by the corporate sector.

Strategic Partnerships

IODM is continuing to expand its distribution network with an alliance agreement with EC Credit Control a total debt management provider with offices in Australia and New Zealand. The execution of this agreement in late October 2017 has generated modest revenue this quarter (as expected). This alliance with EC is expected to ramp up significantly in the first quarter as all 55 area managers across Australia and New Zealand have been trained and are now fully operational. EC Credit Control have several thousand SME clients and work with all the major banks in NZ and several blue-chip major corporates. Notwithstanding the infancy of this alliance, EC has signed a number of SME clients in both Australia and New Zealand.

Technology

The Company continues to be a market leader in the development of its software for the SME and corporate clients to deliver an enhanced customer experience and customised offering.

For further information, please contact Mark Reilly on 0418 921 993 or mark.reilly@iodm.com.au.

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