

PLACEMENT TO RAISE A\$5 MILLION

Seattle, United States – Syntonic Limited (“Syntonic” or “Company”) (SYT.ASX), a mobile platform and services provider, is pleased to announce that it has successfully completed a bookbuild for a placement of 160,000,000 shares at an issue price of A\$0.034 per share to sophisticated investors to raise gross proceeds of A\$5,440,000 (**“Placement”**). The Placement was significantly oversubscribed and the Company will welcome a number of new investors to its share register.

Proceeds from the Placement will be used to accelerate the Company’s expansion plans, driven from the emergence of three new business opportunities: Syntonic’s deepening engagement with Verizon Wireless for the Syntonic platform services; demand for mobile Over-the-Top video services from U.S. mobile subscribers; and further planned expansion in Southeast Asia.

Mr. Gary Greenbaum, Managing Director and CEO of Syntonic, commented: *“We are extremely pleased by the strong demand we received for the Placement – from both existing and new investors – which reflects the strong confidence in Syntonic’s business model. This capital injection strengthens our position, our current momentum and accelerates the commercialization of our partner deals.”*

“We have signed agreements with large customers and our revenue pipeline is progressing faster than we anticipated. We have made rapid progress and, as a result, ramping up these three projects is now a key priority. We are keen to aggressively push ahead to ensure our efforts quickly reach full maturity and that we’re positioned to efficiently capture market share with our technology”.

“We’re confident that Syntonic is in an excellent position to capitalize on the existing opportunities in sponsored data and mobile split billing markets with our tier-1 corporate partnerships, and look forward to providing further updates in the near future.”

In a short period of time Syntonic has successfully secured contracts with a number of large global tier-one clients. Most recently, the Company’s agreement with Verizon will result in the launch of an initial adoption phase. Revenue generation from partnerships with Tata Communications, AT&T, and existing deployments in India, Indonesia and Malaysia are early stage with revenue growth maturing over the course of upcoming quarters. Syntonic has consistently outpaced its original plans. Company deal flow has transpired quicker than expected, which in turn has necessitated additional working capital to accelerate the Company’s immediate growth opportunity to capture, manage, and support its pipeline of clients.

The timing of this capital raise is driven by several large-scale revenue generating opportunities which have recently arisen and that require a quick market response to maximize market share. For example, Syntonic’s multi-faceted engagement with Verizon Wireless, the United States’ largest mobile carrier with nearly 100 million subscribers, requires an immediate company scale-out to accommodate and capture the upcoming business opportunities. The Company’s expansion to support Verizon builds on the strategic foundation of Syntonic’s Connected Services Platform integration with AT&T and Tata Communications. The Company is now in a unique and advantageous position to be the world’s first cross-carrier Mobile Virtual Network Content Provider (MVNCP), offering audio and video services with a direct billing relationship to the end-user, either through sponsorship or paid subscription. In the U.S., Syntonic has the unrivaled operator network footprint to deliver these services to over 70% of the addressable smartphone audience. In addition, Syntonic is now in advanced discussions to extend these services into the European market.

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Freeway by Syntonic® has also gained popularity in India, Indonesia and Malaysia and the Company will soon broaden its deployments in Asia. Moreover, Syntonic's latest board member, Mr. Chris Gabriel, brings Africa and Middle East carrier expertise to help Syntonic initiate deployment in these regions.

The proceeds from the Placement will be applied to accelerate these projects to full fruition and to capitalize on new market opportunities.

The Placement has been arranged by Armada Capital & Equities Pty Ltd and CPS Capital Group Pty Ltd as joint lead managers. No cash fees will be paid by the Company in connection with the Placement. In lieu of cash fees, the Company will issue 9,600,000 shares and 15,000,000 options (exercisable at \$0.06 each, expiring 3 years from date of issue) to the joint lead managers in connection with the Placement.

The issue price of A\$0.034 represents a 8.1% discount to the last closing price. The Company expects to complete the Placement early next week and will issue the Placement shares under Listing Rule 7.1.

About Syntonic

Syntonic (SYT.ASX) is a Seattle based software company which has developed two technology services: Freeway by Syntonic®, allows free-of-charge, mobile internet access on smartphones by having advertisers sponsoring the data; and Syntonic DataFlex®, allows businesses to manage split billing expenses for employees when using 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.

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