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ASX ANNOUNCEMENT

NETLINKZ SUCCESSFULLY COMPLETES CHINA TELECOM CUSTOMER TRIALS

Netlinkz Limited (ASX:NET) ('Netlinkz' or 'the Company') has successfully completed China Telecom's User Acceptance Testing in Wuxi, China. In addition and by agreement, Netlinkz products have been admitted into the China Telecom Wuxi product catalogue with an assigned Stock Keeping Unit (SKU) with pricing.

In a formal partnership letter to Netlinkz after the completion of the customer trials, China Telecom Wuxi stated: "China Telecom is pleased to inform Netlinkz Limited that the VIN and VSP have been admitted to the Wuxi China Telecom catalogue. The catalogue will expose the VIN and VSP to all of China Telecom's sales force.

"China Telecom Wuxi will work in partnership with Netlinkz to promote VIN and VSP to other branches of China Telecom."

Netlinkz's two key saleable products for this market are Virtual Invisible Networking (VIN) and the Virtual Segmentation Platform (VSP). These two technologies build and connect the unique networks that Netlinkz creates with its partners.

China Telecom (NYSE: CHA, HKEX: 00728) is the third largest mobile provider and largest fixed line telecommunications provider in China with over 220 million customers. Its objective is to be the largest cloud software provider in China by leveraging its secure network, software defined network technologies and omni channel development.

The initial market push will be in Wuxi, with over 20,000 existing enterprise and government customers and 2.2 million setbox customers. After gaining momentum it is expected that NetLinkz technology will be sold to the balance of the Jiangsu province which includes 11 districts/cities, the third largest of which is Wuxi. With a successful rollout in Jiangsu, it is expected to sell into the whole of China.

Netlinkz has entered into a commercial licensing agreement with Jiangsu Operating Co ('the licensee'), a subsidiary of the Company's joint venture partner in China, JianNan Information Technology Limited (JNN).

The licensing agreement provides the licensee exclusivity to deal with China Telecom within the territory of Wuxi, while outlining further commercial terms and obligations of the licensee, including providing on ground level 2,3 and 4 customer support in China for Netlinkz products.

The parties have targeted to conclude the five-year master sublicensing agreement with China Telecom Wuxi over the next six weeks. Senior Executives from China Telecom are planning to travel to Sydney in July of this year for an official signing ceremony with Netlinkz and other dignitaries.

NetLinkz will now work with China Telecom engineers to harden its technology to accommodate the China network environment and to integrate into the China Telecom billing system, as well as its sales and product support organizations.

Netlinkz notes its voluntary suspension on the ASX and prior to the lifting of that suspension, Netlinkz shall provide further detail on the commercial terms of its China Telecom Wuxi agreement and the anticipated revenues.

*****ENDS*****

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About NetLinkz Limited

Netlinkz provides secure and efficient cloud network solutions. The company's technology makes Fortune-500 security commercially available for organizations of all sizes. Netlinkz has received numerous industry awards for its technology, including being a worldwide winner of the Global Security Challenge.