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Company Announcements Office
Australian Securities Exchange
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CONNECTED IO ACHIEVES SUBSTANTIAL REVENUE GROWTH IN 2017 WITH STRONGER OUTLOOK FOR 2018

HIGHLIGHTS

- **CIO revenue for 2017 calendar year has grown by approximately 340% on the 2016 calendar year to approximately \$2.25m;**
- **Recurring customers now total over 73% of CIO's business with noticeable increases in purchase order size that are anticipated to increase further in 2018;**
- **Revenue pipeline for 2018 already exceeding \$3.3m from Purchase Orders as announced in 2017;**
- **CIO anticipates achieving break even by Q3 2018;**
- **The Company is in a strong cash position having recently completed a placement to raise approximately \$3m with manufacturing debt funding negotiations continuing;**
- **CIO completed its submissions in opposition to an application to have the Minister's decision to award the Missions and Cables gold asset reviewed. The Supreme Court of WA decision is anticipated in Q1 2018.**

The Board of Connected IO Limited (CIO) is pleased to advise the market it expects an increase on calendar year revenues by approximately 340% at the end of December 2017 compared to the same time 2016. The Company is expecting even greater growth to December 2018 given the strong pipeline of Purchase Orders already received.

Of the Purchase Orders received throughout 2017, CIO is pleased to confirm over 73% of these were from repeat customers. The recurring purchase orders demonstrate the ongoing penetration of the Company's products and increased confidence on future revenue growth. The maturing relationships have indicated increase in sales volumes and increase purchase order activity in both volume and consistency.

CIO previously announced two significant Purchase Orders (ASX : CIO 22 September 2017 and ASX : CIO 6 December 2017) totalling close to \$3,000,000. These form the basis of a very significant revenue platform for CIO in 2018 with current confirmed purchase orders totalling in excess of \$3.3m. The basis of these Purchase Orders, yet to be delivered, provides CIO with valuable revenue on which to achieve breakeven in 2018, which it expects to do before the end of Q3 2018. Further developing Purchase Orders and accounts are in various stages of negotiation and the market will be updated at the appropriate time. Forecast cashflow for CIO for 2018 is expected to be significantly more than the \$3.3m of Purchase Orders already received.

CIO recently completed a placement for approximately \$3m (ASX : CIO 28 September 2017) which has allowed the Company to meet increasing manufacturing demands as well as manage general working capital requirements. In anticipation of even greater increasing manufacturing demand, CIO continues negotiations with financiers to provide a manufacturing debt facility to facilitate the largest purchase orders ever received.

Finally, CIO successfully completed its submissions in opposition to an application to have the decision by the Minister to award the Missions & Cables gold asset reviewed, and is expecting the court's decision in Q1 2018.

CIO CEO Yakov Temov said, "Having a solid base of purchase orders, sufficient cash at bank, a potential manufacturing finance facility as well as the anticipated return of a significant mining asset, the executive team and board are very excited at the prospects of CIO for 2018."



About Connected IO Ltd. (CIO)

Based in Silicon Valley, Connected IO (CIO) develops wireless products for machine-to-machine (M2M) communications and Internet of Things (IoT) connectivity. The CIO family of programmable modems and routers are innovative, operator-certified, secure, and affordable, making them the preferred choice of enterprises around the globe for a wide array of applications and industries, including digital signage, POS, vending machines, security, monitoring and control, and failover.

The IoT market is growing exponentially and cellular technology and wireless connectivity are advancing rapidly—from LTE to Narrowband IoT (NB-IoT). To keep pace, reduce development costs, and shorten time to market, companies are choosing CIO hardware. Ready to go right out of the box, CIO products can be easily configured, deployed, monitored, and managed with our cloud-based management portal.

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