

31 January 2018

Australian Securities Exchange (**ASX**)
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

QUARTERLY ACTIVITIES REPORT

Wangle Technologies Limited (Wangle or the Company) (ASX:WGL) is pleased to provide the following activities report for the quarter ending 31 December 2017.

HIGHLIGHTS

- Successful launch of Wangle Family Insites (WFI) to Apple and Android app stores
- Share Placement of \$1.4M and Convertible Loan facility for up to \$2M secured to bolster marketing and company operations
- Partnership Agreement signed with WA Primary Principals Association
- Company to shift focus from product development to commercialisation activities in 2018
- Pricing of WFI at \$7.99/month or \$79.99/year for a family subscription, available via app stores

WANGLE FAMILY INSITES SUCCESSFULLY LAUNCHES ON APPLE AND ANDROID APP STORES

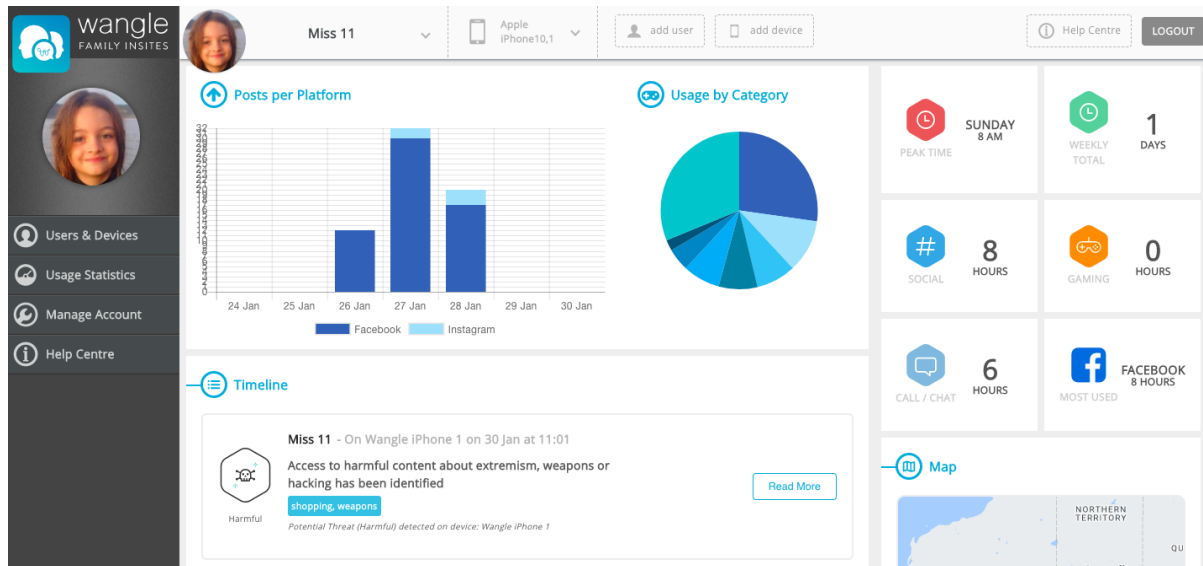
The Company announced the release of both the Apple and Android versions of WFI to their respective app stores in October and November respectively, completing the full release of the Company's ground-breaking parent protection suite utilising behavioural analysis of live mobile network traffic across Wangle's best in class secure VPN network to help parents identify and manage online risks to their children.

The product is now available via the Apple and Android App stores on a monthly or annual family subscription and will initially target Australia's 6 million families before a planned international expansion.

Additional enhancements to the online parent portal were completed including back-end optimisation, more granular charting of internet and app usage statistics, and the GPS Gating feature allowing parents to set an alert that activates when a child's device moves outside of a 20-metre radius from the chosen location.

In line with the Company's previously stated strategy of WFI customer acquisition via distribution partnerships, an affiliate tracking capability was released in November as part of the Wangle Family Insites product. The affiliate platform allows partners to drive customer growth for the WFI platform and generate revenue via revenue sharing arrangements with simple to setup affiliate tracked links.

Planned future product enhancements include improvements to the WFI configuration experience for subscribers, the development of a desktop version of the Wangle VPN for inclusion within WFI, the addition of internet access scheduling for parents and general enhancements to back-end data processing.



FUNDING SECURED VIA \$1.4M PLACEMENT AND \$2M CONVERTIBLE LOAN FACILITY

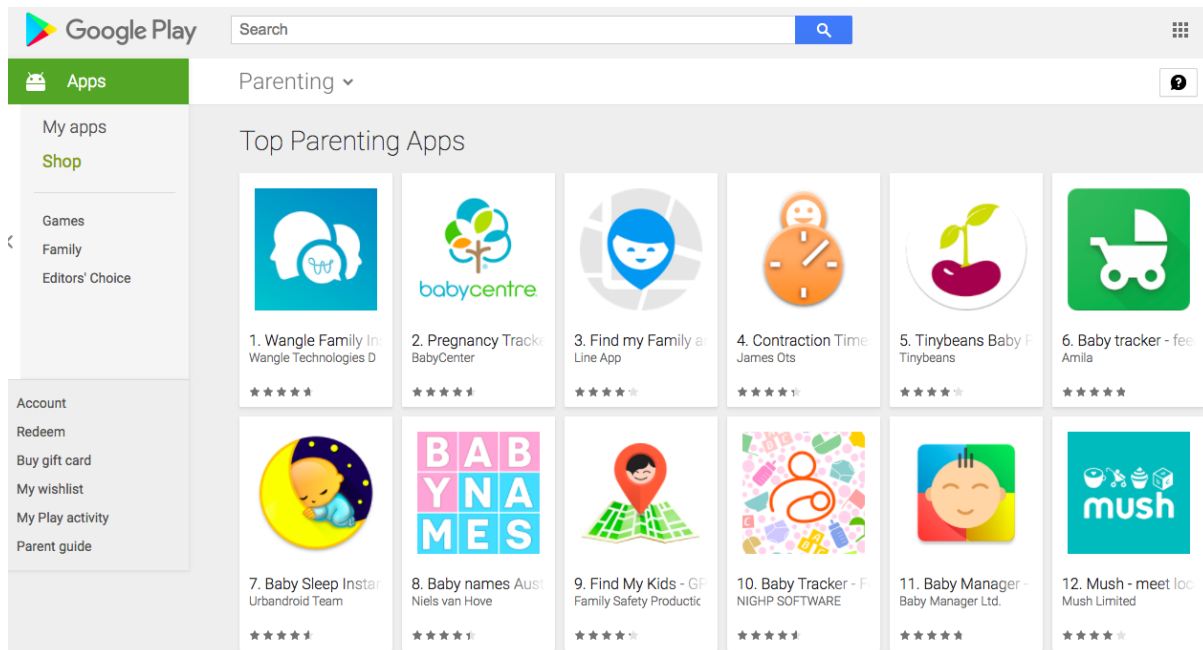
The Company secured a Convertible Loan facility for up to \$2M with US based Golden State Capital Inc. in November to support commercialisation activities following the launch of WFI to the general public. The Company has yet to draw upon this facility. It should be noted that if this Convertible Loan is draw upon, any conversion will require the prior receipt of shareholder approval.

In December the Company successfully completed a Share Placement for \$1.4M to secure the balance sheet and to enable aggressive marketing and customer acquisition activity heading into the key first term of the school year.

PARTNERSHIP AGREEMENT WITH WA PRIMARY PRINCIPALS ASSOCIATION (WAPPA)

In December the Company announced a partnership agreement with WAPPA, the professional association for leaders of primary school education across Western Australia, providing support, services and recognition to over 1100 members across the state to impact educational outcomes and strengthen school leadership.

The agreement gives the Company access to school leaders across Western Australia as the exclusive child protection software partner for WAPPA, with the partnership including presentation opportunities directly to members throughout the year, advertising in the WAPPA members' magazine, and exclusive opportunities for involvement in future WAPPA events including regional professional learning activities. The agreement also includes introductions to other state-based organisations within the national umbrella body, APPA.



COMPANY TO SHIFT FOCUS FROM PRODUCT DEVELOPMENT TO COMMERCIALISATION

The December quarter maintained a strong focus on product development to ensure the successful completion, testing and launch of WFI during the period. This development activity increased the monthly cost base with additional development costs incurred to ensure product quality and a timely release.

With the product now successfully launched in market the Company is changing its focus heading into 2018 to commercialisation activities for WFI. This change in focus will substantially reduce the monthly cost base as development activities are reduced, with internal resources being realigned and refocused on driving commercial outcomes.

- ENDS -

For further information, please contact:

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Wangle Technologies

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ABOUT WANGLE FAMILY INSITES

Wangle Family Insites (WFI) offers parents a unique approach to ensuring the safe use of the internet by children and teenagers. By utilising Wangle's world class VPN network, backed by the research insights of childhood development research organization Telethon Kids Institute, WFI monitors mobile network patterns in real time and advises parents of potential threats as well as providing greater details and resources to parents on the threats identified.

ABOUT WANGLE TECHNOLOGIES

Wangle Technologies has developed patented algorithms that not only optimise, compress and secure the data flow to mobile devices, but facilitate real time analysis of network patterns and usage behaviours. Wangle's technology provides compelling value to consumers, service providers and enterprises looking for innovative low cost solutions for managing network capacity and use.

+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Wangle Technologies Limited

ABN

80 096 870 978

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter (Dec 2017) \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3	4
1.2 Payments for		
(a) research and development	(782)	(1,461)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(308)	(400)
(d) leased assets	-	-
(e) staff costs	(65)	(91)
(f) administration and corporate costs	(145)	(306)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(7)	(11)
1.6 Income taxes paid	-	-
1.7 Government tax incentives (R&D Rebate)	-	1,115
1.8 Other (ATO Payments/Refunds)	(8)	-
1.9 Net cash from / (used in) operating activities	(1,311)	(1,149)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	(2)
	(e) other non-current assets	(4)	(15)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(4)	(17)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,400	1,400
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(92)	(92)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,308	1,308

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,052	903
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,311)	(1,149)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4)	(17)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,308	1,308
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	1,045	1,045
5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter (Dec 2017) \$A'000	Previous quarter (Sept 2017) \$A'000
5.1	Bank balances	134	955
5.2	Call deposits	911	97
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,045	1,052
6.	Payments to directors of the entity and their associates	Current quarter \$A'000	
6.1	Aggregate amount of payments to these parties included in item 1.2	132	
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2		
Payment of director's fees, rent, administration expenses and reimbursements.			

7. Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

-

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

-

8. Financing facilities available

Add notes as necessary for an understanding of the position

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

8.1 Loan facilities

2,000

0

8.2 Credit standby arrangements

-

-

8.3 Other (please specify)

-

-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Convertible Loan Agreement with Golden State Capital Inc. Please refer to the ASX Announcement dated 23 November 2017 for further details.

9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

485

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

166

9.4 Leased assets

-

9.5 Staff costs

64

9.6 Administration and corporate costs

110

9.7 Other (provide details if material)

-

9.8 Total estimated cash outflows

825

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	-	-
10.2	Place of incorporation or registration	-	-
10.3	Consideration for acquisition or disposal	-	-
10.4	Total net assets	-	-
10.5	Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

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Company Secretary

Date: 31 January 2018

Print name: Loren A. King

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.