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ASX ANNOUNCEMENT

Netlinkz Confirms First Revenue in China

NetLinkz Limited (ASX:NET) (**Company** or **NetLinkz**) is pleased to advise China Telecom has sold more than 5,000 VINs over the first quarter of the calendar year. The majority of VINs were sold after Chinese New Year with China Netlinkz's expanding sales force.

Under its reseller agreement with China Netlinkz, Netlinkz receives a licensing fee monthly for each VIN sold –the recurring revenue model.

Netlinkz has earned 150,000 Rmb for the quarter. On an annualised basis this translates to at least 600,000 Rmb.

Current sales have intentionally been restricted to one city to refine the sales cycle and deployment of the VIN. Expansion will now occur to other larger cities in the Jiangsu Province which has a current population approaching 100,000,000.

The VIN is sold as part of a China Telecom Bundle which ranks in the top 5 products for China Telecom nationally. This accords with the Chinese Government's requirement for Chinese companies to transition to cloud base solutions by providing secure access pathways.

Mr Yang, CEO of Netlinkz China, stated "This is a significant development for Netlinkz. The appointment of further sales and deployment agents in 12 new cities in the Jiangsu Province will accelerate sales and revenue."

Mr James Tsiolis Chairman of Netlinkz stated "This is watershed moment for the company. First revenue in China confirms the strength of our co-operative relationship with China Telecom. I look forward to continued expansion beyond the Jiangsu Province into the rest of China."

*****ENDS*****

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.