



ASX Announcement

PERTH JULY 6, 2018

FAMILY ZONE SECURES STRATEGIC INVESTMENT AND BOARD APPOINTMENT

Family Zone Cyber Safety Ltd (ASX: FZO, 'Family Zone' or 'the Company') is pleased to update the market on material corporate developments.

HIGHLIGHTS

- UK-based advisory firm Tellus Matrix, with its strategic partners, to invest A\$5m at A\$0.50 per share, a 5.26% premium to last close, for 10 million shares in the Company.
- Sir Peter Westmacott, former British Ambassador to the USA to be appointed to the Board of Family Zone as a Non-Executive Director.
- Strategic investment and Board appointment provides Family Zone with substantial backing and a clear strategy to pursue global growth.

TELLUS MATRIX & FAMILY ZONE

In April 2018, Family Zone engaged Tellus Matrix to support Family Zone's global commercialisation.



After extensive due diligence, Tellus Matrix has agreed to invest and to underwrite a placement of 10 million shares at A\$0.50 per share to raise A\$5 million with their global partners. They do so believing in the social benefits, commercial opportunities and investment potential of Family Zone and in their own ability to contribute to the company's global ambitions. The placement shares will be issued under the Company's ASX Listing Rule 7.1 placement capacity.

The funds raised will be used to support investment in Family Zone's service delivery capability, business development activities, particularly in education and global partnerships, and further strengthen the Company's balance sheet.

The Company considers this a significant milestone. This investment demonstrates that our product and business model are now proven; that we offer a unique solution to a major global social need; that we have a clear and compelling path to growth; and that we are now backed by globally significant investors.



With the relationship between the parties strengthened, Tellus Matrix will seek to open their significant global network of both commercial relationships and strategic capital to accelerate Family Zone's global growth strategy.

Tellus Matrix is a UK-based strategic advisory firm consisting of distinguished leaders in finance, wealth management, diplomacy, ethics, defence and security. Tellus Matrix' mandate is to work exclusively with truly innovative companies possessing world changing technology.

Appointment of Sir Peter Westmacott

The Company is delighted to welcome to the board the distinguished Sir Peter Westmacott GCMG LVO.

Sir Peter is a distinguished senior British diplomat, who has been British Ambassador to Turkey, France and the United States of America.

Sir Peter has been honored with numerous awards and appointments in the UK and France. He was appointed Companion of the Order of St Michael and St George in 2000, promoted to Knight Commander (KCMG) in 2003 and Knight Grand Cross (GCMG) in 2016. He was also made a Lieutenant of the Victorian Order by HM The Queen in 1993.

Family Zone Managing Director, Tim Levy, said:

"We are delighted that Tellus Matrix has agreed to this investment and to support our Company moving forward. We are also honored that a gentleman of the calibre, wealth of knowledge and global networks of Sir Peter Westmacott has agreed to join our board. This moment marks a turning point for the Company as Family Zone transitions to a global focus and attracts strategic investors in the key markets of USA and U.K."

Tellus Matrix Chairman and former Global Head of Investments at J. P. Morgan, Wes Paul, said:

"We are excited to partner with Family Zone. This is exactly the kind of company we like to work with: innovative technology that will be hugely successful, addressing an important unmet social need, led by intelligent people with character. We are firmly focussed on areas of social responsibility and Family Zone fits perfectly into this category. We are excited by the opportunity to help grow Family Zone into additional regions via our extensive network of investors and strategic partners."

Options

The Company will issue Tellus Matrix 500,000 options with a 2-year term and an exercise price of A\$0.60 per option for services provided in managing and underwriting the placement. These options will be issued under the Company's ASX Listing Rule 7.1 capacity.



About Family Zone

Family Zone is an ASX-listed technology company focused on cyber safety. Meeting a growing demand to keep kids safe online and manage digital lifestyles, Family Zone has developed a unique and innovative cloud-based solution which combines Australian innovation with leading global technology.

To learn more about the Family Zone platform and the Company please visit www.familyzone.com.

About Tellus Matrix

Tellus Matrix is a UK-based strategic advisory firm consisting of distinguished leaders in finance, wealth management, diplomacy, ethics, defence and security.

The Tellus Matrix team includes:

Wesley Paul: Chairman, finance and technology professional, a former Managing Director & Global Head of Investments for JP Morgan & Co.

Sir Peter Westmacott: Vice Chairman. Diplomat, Former British Ambassador to Turkey, France and the US.

Lt Gen Sir Graeme Lamb: Partner. Former Director UK Special Forces.

Thomas Madsen CFA: Partner. Former Global Head of Equities at JP Morgan and UBS.

Lord Richard Chartres: Advisor to the Board. Former Bishop of London.

Professor Michael Clarke: Advisor to the Board. Former Director General of RUSI and a UK Govt Security Advisor.

Lord Norman Foster: Advisor to the Board. Architect/Designer.

Lord Bernard Hogan-Howe: Advisor to the Board. Former Commissioner of the London Metropolitan Police.

Tellus Matrix exclusively invests its time and networks in world changing ideas and technology. The firm has identified Family Zone's cyber safety ecosystem as of global significance.

To learn more about Tellus Matrix, visit <https://tellusmatrix.com/>

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