

19 September 2018 ASX Announcement

Successful Roll Out of Trial Marketing Campaign

- Three-month trial marketing campaign in Southeastern Queensland region has provided encouraging statistics and feedback ahead of Vonex's major capital cities marketing launch in October 2018
- Marketing push anticipated to drive substantial lead generation, translating to growing
 Vonex Telecom sales revenue
- Trial marketing campaign used powerful third-party software and platforms to identify key audiences – analytics were collected from several million impressions of Vonex Telecom ads
- Daily average Vonex website traffic has increased by 114% since the start of the marketing campaign, with an impressive 438% increase in interaction rates on the new landing page¹
- Marketing to follow NBN rollout geographically in capital cities, coinciding with Vonex's expanding Channel Partner network

Telecommunications innovator Vonex Limited ("Vonex" or the "Company") (ASX:VN8) is pleased to announce the successful results of its recent trial marketing campaign.

In the past two months marketing targeted in Southeastern Queensland has seen Vonex push a variety of content, including custom video and static ads. The Company's aim in this marketing stage has been to achieve greater brand awareness and gather audience intelligence. This is being achieved through an integrated approach, which has involved substantial split testing and analysis through powerful third-party software and tools. Success of which is evident in the influx of new traffic to Vonex's website, where the trial marketing campaign has driven an increase in traffic of 114% compared to the monthly average.

This initial trial stage has already resulted in growing enquiries and converted sales. As the Company shifts focus to the marketing campaign's next stage, customer acquisition and branding, Vonex expects further sustained website traffic growth and growing new customer leads online and through channel partners across the country. Specifically, the Company will target National Broadband Network ("NBN") rollout areas in the major capital cities in Australia.

On 31 August 2018 the NBN published their updated plan for 2019-2022 which is a regular update

¹Interaction rates are defined as one or a combination of an address check performed for NBN availability, an enquiry form submitted, or phone number clicked on to dial Vonex directly.



report from NBN detailing the construction status and connection statistics for households and business. According to forecasts within the plan, of the 4 million addresses the NBN is currently available to but haven't switched, around 1.5 million businesses and households will switch within the next 12 months. Using analytics from the trial marketing campaign, Vonex will expand its immediate marketing efforts in the capital city areas where the channel partners are most active and focus on areas where NBN is available but not connected yet, or construction is complete and the area is becoming available.

The Company is very pleased with the delivery to date of its channel partner network in the NBN roll out areas via their comprehensive coverage. Vonex is working with channel partners on a reworked incentive scheme which the Company believes will better leverage the existing network as well as lead to the onboarding of additional partners to coincide with the marketing rollout.

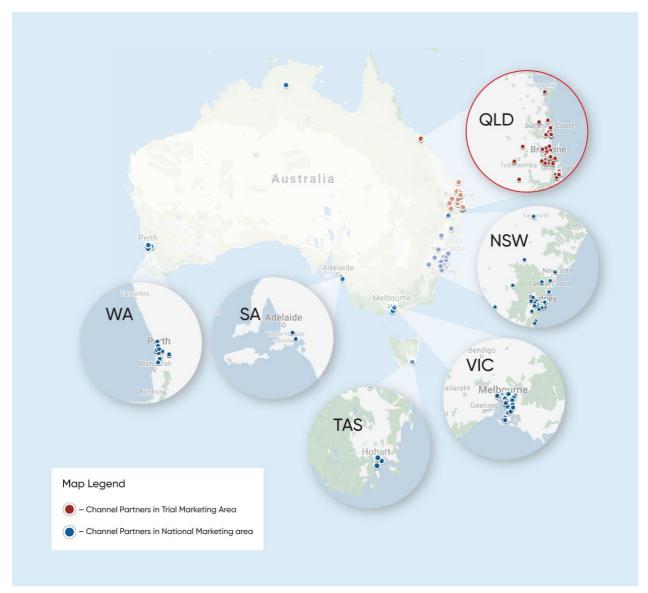


Figure 1: Vonex marketing area coverage, with dots showing positions of Channel Partners



Commenting on the trial marketing campaign, Vonex Managing Director Matthew Fahey said:

"These results are very positive from our initial campaign tests, and provide us with excellent insight to progress now to roll out the national campaign. Combined with our extended channel partner network plus our new technology initiatives we are delivering for them, we are confident we can maximise the benefit to Vonex from the nationwide enforced cutover to the NBN."

ENDS

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About Vonex

Vonex is a full service, award-winning telecommunications service provider selling mobile, internet, traditional fixed lines, and hosted PBX and VoIP services - predominately to the small to medium enterprise ("SME") customer under the Vonex brand. The Company also provides wholesale customers, such as internet service providers, access to the core Vonex PBX and call termination services at wholesale rates via a white label model.

Vonex also develops new technologies in the telecommunications industry, including a feature-rich cloud-hosted PBX system. Vonex is also developing the Oper8tor App, a multi-platform real-time voice, messaging and social media app that allows users to connect with all social media friends, followers and contacts across different social medias, all consolidated into one app.