

30 October 2018

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

WANGLE SIGNS BINDING TERM SHEET TO ACQUIRE GROCERY & BEHAVIOURAL DATA COMPARISON PLATFORM

Highlights:

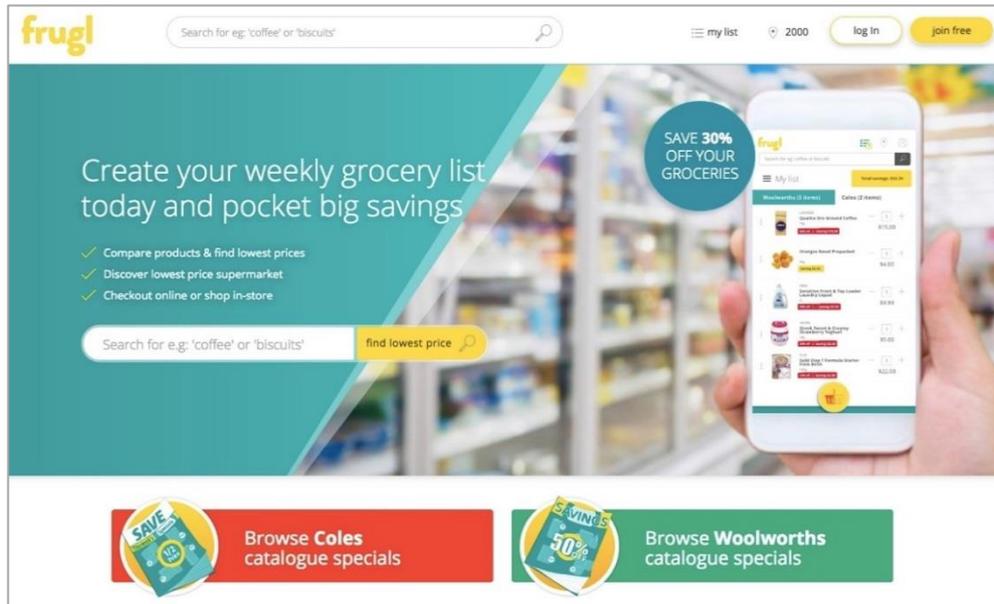
- **Wangle** to acquire grocery comparison and data analytics platform **Frugl**, strengthening the position of Wangle in the behavioural data market.
- The **Frugl** data business is complementary to **Wangle's Family Insights** cyber safety business and **Wangle** intends to integrate **Frugl's** business into its existing human resource and technology infrastructure.
- Consideration for the acquisition is exclusively performance based, maximising the potential return for existing **Wangle** shareholders.
- **Frugl** currently targets the \$2 billion consumer behavioural data market with tier one, national chain clients.
- **Wangle Technologies Limited** to change its name to **Family Insights Group Limited** in support of its expanded data analytics capabilities and expansion of associated business models.

Wangle Technologies Limited (Wangle or the Company) (ASX:WGL) is pleased to announce that it has signed a conditional, binding terms sheet to acquire innovative technology company, **Frugl Group Limited (Frugl)**.

ABOUT FRUGL GROUP

Frugl is a grocery price comparison platform with advanced analytics capabilities, that collects and process numerous data streams including behavioural shopper and browsing data, in real time, across any device. **Frugl** provides shoppers with up-to-date products, promotions and pricing information to find the lowest price each week across Australia's leading supermarkets.

Frugl has spent three years developing its data capture and analysis engine, focusing on the domestic groceries market. By capturing supermarket product and pricing data in real time, it has established a historical data source of category and product metadata including associated price movements over time and the associated shifting shopper behaviours driven by changes in prices.



The **Frugl** business model revolves around commercialising its acquired data intelligence, and in 2018 **Frugl** engaged a top tier national grocery chain as its first commercial data insights customer, indicating that demand for **Frugl's** data analysis capability exists amongst enterprise level retail customers.

Following this engagement, **Frugl** sought additional investment to fund the final stages of its consumer-end product development and commercialisation activities. However, due to low funding levels, Frugl decided to place its data analysis operations into "maintenance-mode" pending the completion of a further capital raising, with all technical IP and data assets placed on hold pending further investment.

The **Company** believes it is well placed to quickly re-commence **Frugl's** data analysis operations with the benefit of both its existing technical personnel, and available shared resources and funding.

COMPLEMENTARY BUSINESS UNITS – FAMILY INSIGHTS AND FRUGL

There are clear synergies between the Company's **Family Insights** business unit and **Frugl's** technology offerings. In addition to sharing the same core target market segment (families, with females as the key purchasing decision maker), both business units gather online behavioural data across multiple device types, process it in the cloud in real time, and return advanced analytics based on the data gathered for commercialisation purposes.

These synergies offer additional organisational efficiencies from a staffing, expertise and resourcing level, with cost savings able to be realised by the utilisation of shared resources across technology development and operations, marketing, administration and management.

In addition, the **Company** believes that the acquisition and development of **Frugl** will lead to further advances in data science across both business units, including further development of machine learning capabilities across both products to enable significant advances to each of their respective data analysis verticals.

More specifically, the **Company** believes it has the technical and commercial expertise which, when combined with the resources the **Company** would be able to provide, would add significant value to **Frugl's** existing platform and business models.

The **Company** provides the following summary of the various shared resource opportunities that exist following the acquisition of **Frugl**.

Table 1. Proposed Business Streams and Shared Resource Opportunities

Business Stream	Main Function	Commercial Opportunities	Shared Resource Opportunity
Wangle Virtual Private Network	Secure optimised network with data interception capabilities Foundation platform for data analysis products	Direct to Consumer Small To Medium Business (SMB) and enterprise mobile VPN provision	Cloud networking services, App Development staff, platform development staff, data science, marketing, administration, management.
Family Insights	Cyber safety family product with real-time alerts & educational resources for parents relating to internet risks to children. Utilises advanced real-time behavioural data capture and analysis methods combined with medical research and education resources	Consumer (family segments) Research (data research capabilities) Strategic partnerships (e.g. telco, health insurers), International expansion (global markets)	Cloud networking services, App Development staff, platform development staff, data science, marketing, administration, management.
Frugl	Supermarket comparison engine that provides shoppers with pricing comparisons and specials across major supermarket chains. Utilising real-time data gathering and analysis methodologies, identifies consumer shopping intent, repurchase behaviours and loyalty data in addition to historical product price change data	Product price and category analysis for commercial supply to retailers and suppliers. Consumer shopping behaviour indexes for retailers and suppliers. Advertiser audience provision for media platforms. Additional analytical products.	Cloud networking services, App Development staff, platform development staff, data science, marketing, administration, management.

GROWTH OPPORTUNITIES

The **Frugl** business is able to build commercial models based on its acquired intelligence, with numerous models to be developed including:

- Product range, price and availability trend data reports and indexes for retailers
- Shopper behaviour data insights and competitor research reports for suppliers
- Shopper audience creation for highly targeted, real-time intent-based advertising opportunities
- Shopper research panel creation for retailer and supplier research purposes
- Product master data enrichment services for paid product feed syndication
- Creation of additional shopping verticals for ongoing data commercialisation

With the **Company** remaining committed to the commercial development of its consumer-targeted **Family Insights** cyber safety product, the additional business and commercial models acquired from the Frugl will create additional opportunities and introductions to large-scale businesses for distribution partnership development for **Family Insights**.

The **Frugl** acquisition both enables **Wangle** to properly develop and consolidate its annuity revenue base, and provides attractive opportunities for increased revenue generation with internal efficiency improvements, all while building technology platforms from which to accelerate innovation and growth.

Sean Smith, CEO of Wangle said: "The Frugl acquisition marks an important shift in company focus from product development to data-driven value creation. Our recent transition has allowed us to properly develop our technical capability, which will be well placed to support the complimentary requirements of our core business activities, namely front-end website and app development to attract and engage audiences, real-time data capture technologies and advanced data science and analytics to unlock real value."

Jon Wild, Chairman of Wangle said: "The Frugl acquisition supports our company goals of data-driven value creation and global expansion, whilst adding commercial revenue streams to our emerging consumer models. Cyber safety is a global issue and the Family Insights positioning focus on education and behavioural analytics is well placed to address the issues internationally. Deepening our analysis capability to include retail analytics further broadens our capability to drive Company revenue creation and ultimately shareholder value."

ACQUISITION TERMS

Purchase price structure:

- Consideration for the acquisition of **Frugl** is exclusively performance based, maximising the potential return for existing Wangle shareholders
- Deferred consideration of up to 2,000,000,000 Wangle shares, to be issued to the shareholders of **Frugl** in four (4) equal tranches of 500,000,000 shares subject to the achievement of milestones.
- The 4 milestones for which deferred consideration is payable are upon FGL achieving cumulative audited revenue of:
 - \$1,000,000, on or before 30 June 2021;
 - \$2,000,000, on or before 30 June 2021;
 - \$6,000,000, on or before 30 June 2022; and
 - \$10,000,000, on or before 30 June 2022,

Conditions precedent:

The acquisition of **Frugl** is subject to a number of usual conditions precedents including the receipt of all necessary regulatory approvals required under the ASX Listing Rules and Corporations Act, receipt of shareholder approval for the agreement to issue the deferred securities referred to in this announcement, and completion of a legal and technical due diligence into **Frugl** by the **Company**.

Indicative Timetable:

Event	Date
Execution of Binding Terms Sheet for acquisition of Frugl	28 October 2018
Date of Notice of Annual General Meeting	29 October 2018
Dispatch of Notice of Annual General Meeting	30 October 2018
Date of Annual General Meeting	30 November 2018
Date of Placement (see below)	7 December 2018
Completion of Frugl Acquisition	10 December 2018

SUPPORTING PLACEMENT

In order to fund the continued development of the Frugl technology and the Company's ongoing commercial activities, the Company intends to issue a further 300 million shares (**Placement**) at \$0.003 to sophisticated and professional investors to raise an additional \$900,000 before costs.

PROFORMA BALANCE SHEET

The effect of the Proposed Transaction on the total assets, total liabilities and net assets of the Company are set out in the pro-forma balance sheet set out in Annexure A.

Further details will follow once transaction documents are completed and required regulatory approvals are determined.

PROFORMA CAPITAL STRUCTURE

	Shares	Options	Performance Shares
Current issued capital	2,077,888,336	977,444,168	50,000,000
Director's Entitlements¹	123,000,000	123,000,000	-
FGL Consideration²	-	-	-
Placement	300,000,000	-	-
Total	2,500,888,336	1,100,444,168	50,000,000

1. To be issued as part of the shortfall to the recently completed entitlement issue, subject to shareholder approval at the Company's upcoming Annual General Meeting.
2. Up to 2,000,000 shares may be issued, subject to the achievement of milestones, as detailed elsewhere in this announcement.

COMPANY NAME CHANGE – FAMILY INSIGHTS GROUP

In order to better represent the Company's developing data analysis and insights capability, the Company will propose to shareholders at the forthcoming Annual General Meeting a change in company name to "**Family Insights Group Limited**". The new name shows both a commitment to its existing key cyber safety product, as well as reflecting its further enhanced data analysis and insights capabilities.

- ENDS -

For further information, please contact:**Wangle Technologies**

Sean Smith
MD and CEO
p: +618 6489 1600

Wangle Technologies

Loren King
Company Secretary
p: +618 6489 1600
info@wan.gl

ABOUT FAMILY INSIGHTS

Family Insights 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, Family Insights 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 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.

ABOUT FRUGL GROUP

Frugl is a data insights business utilising a price comparison platform that allows users to compare, in real time, the cost of goods between different supermarket retailers in their local area, whilst simultaneously analysing shopper behaviours in real time against the changing landscape of product merchandising and price changes across over 60,000 different products from major supermarket chains.

ANNEXURE A – PRO FORMA BALANCE SHEET

	WGL AUDITED 30 JUN 2018 ¹	FGL AUDITED 30 JUN 2018 ²	UNAUDITED ADJUSTMENTS TO 30 SEPT 2018 ³	PRO FORMA
Current assets				
Cash and cash equivalents ⁴	288,197	40,632	1,930,667	2,218,864
Trade and other receivables	151,213	478,937	1,011	152,224
Total current assets	439,410	519,569	1,931,678	2,371,088
Non-current assets				
Plant and equipment	56,384	20,207	21,893	78,277
Development Costs	-	-	77,351	77,351
Total non-current assets	56,384	20,207	99,244	155,628
Total assets	495,794	539,775	2,030,922	2,526,716
Current liabilities				
Trade and other payables	832,771	377,301	(22,137)	810,634
Loan Facility	-	-	-	-
Provision for annual leave	12,027	-	(10,776)	1,251
Total current liabilities	844,798	377,301	(32,913)	811,885
Total liabilities	844,798	377,301	(32,913)	811,885
Net assets	(349,004)	162,475	2,063,835	1,714,831
Equity				
Issued capital ⁴	28,375,771	3,132,601	2,887,918	31,263,689
Reserves	532,565	-	(1)	532,565
Accumulated losses ⁴	(29,257,340)	(2,970,126)	(824,082)	(30,081,422)
Total equity	(349,004)	162,475	2,063,835	1,714,831

Notes:

1. Position of Wangle as stated in latest audited, consolidated financial statements being 30 June 2018 lodged with ASX 30 September 2018;
2. Unaudited position of Frugl as at 30 June 2018;
3. Adjustments to 30 September 2018 for Wangle and Frugl; and
4. Adjustments for the capital raise and costs of the transaction.