

Mobile Operator Progress Update

Highlights:

- Continuing gains in the Quarterly Active Users (“QAU”) with the QAU as of 15 November 2018 at 5.96 million, compared to last quarter’s reported 4.15 million quarterly active users¹
- Early revenue streams to be recognised during the current quarter from:
 - Smart Communications’ RoamFree traveller application,
 - Vodacom’s enhanced mobile advertising platform,
 - Tata Communications *opari* digital commerce platform, and
 - Operations from Syntonic Brazil
- Corporate sponsor for the AfricaCom 2018 Conference, the largest telecom conference in Africa, attended by major carriers, brands, and app publishers from Europe, the Middle East, and Africa

Seattle, Washington – Syntonic Limited (“Syntonic” or “Company”) (ASX:SYT), a leading US-based mobile platform and services provider, today provides an update on mobile operator integrations and deployments for its Freeway® and Dataflex® services.

Syntonic CEO and Managing Director, Gary Greenbaum said:

“Q1 FY19 was a turning point for the Company as it started to receive robust and diversified revenue streams from multiple sources. We are now delivering the financial results of our FY18 business development efforts with new FY19 mobile operator deployments in South America, Asia, Middle East and Sub-Saharan Africa.

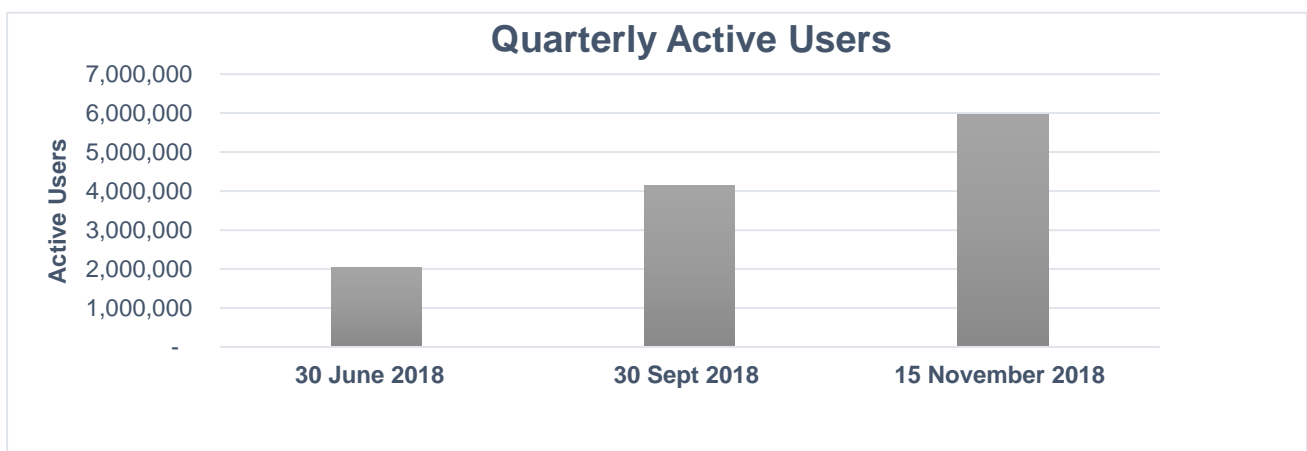
“Moreover, we are starting to see initial revenue contribution from Syntonic Brazil’s mobile commerce business, despite operations only being partially transitioned to the Company. I am pleased to announce that we are on track for another successful quarter as demonstrated by strong advancement in our new reporting metric, Quarterly Active Users.”

¹ Quarterly Active Users measures the number of active users during the three-month period prior to the reporting date.

Active Users

The Quarterly Active Users ("QAU") was first reported in the September 2018 quarterly review and measures the number of monthly active and/or activated Freeway products and services during the preceding three months. The QAU is directly correlated to revenue and is a single metric for evaluating business growth across the entirety of the Company's multiple products, services, and revenue models.

Syntonic is pleased to advise shareholders of the continued growth in its QAU with 5.96 million quarterly active users as of 15 November 2018, compared to 4.15 million for the period ending 30 September 2018.



Operational Progress

Outlined below, Syntonic highlights the status of the existing and upcoming, Q2 and Q3 FY19, mobile operator deployments. The Company will update the market on further carrier opportunities that are moving forward in the Company's sales pipeline as they materialise.

Asia

Philippines: Smart Communications ("Smart"), a leading telecom provider in the Philippines with over 57.7m mobile subscribers², updated its *RoamFree* Android app in October 2018 to support the Freeway Roaming Services™. Smart plans to update the iOS version of *RoamFree* later this quarter.

Smart will start its *RoamFree* marketing campaign during the December holiday period, building up to the peak of outbound travel at the Chinese New Year holiday in early February 2019. As a result, the Company expects growth in *RoamFree* app usage, and subsequent revenue generation, starting in late December 2018.

² http://www.pldt.com/docs/default-source/presentations/2018/1q2018-presentation_final_.pdf?sfvrsn=0

Smart's *RoamFree* release has generated significant interest in the Freeway Roaming Services™ from other tier-1 mobile operators that are in various stages of business discussions with the Company.



Sampling of RoamFree, powered by Freeway, locations as of 15-November-2018

Vietnam: Syntonic continues to work with its regional partner, TecaPro Limited, a leading technology service provider in Vietnam, who in October spun out a stand-alone company, Thang Long Event Limited ("TLC"), to support the Syntonic solution with the Vietnamese carriers.

TLC is currently working closely with Mobifone, the largest Vietnamese mobile operator by revenue – approximately US\$2 billion with nearly 50 million mobile subscribers³, to deploy a white-labelled Freeway service, targeting early 2019. TLC will support and host the service on-behalf of the mobile operator, under a currently negotiated revenue share arrangement with Mobifone, TLC, and Syntonic.

Moreover, TLC is progressing business negotiations with the other three Vietnamese mobile carriers for potential white-labelled Connected Services Platform ("CSP") licensing in FY19.

Indonesia: Syntonic is working with a local partner to enable several of the tier-1 local carriers with the Freeway sponsored data services and international roaming services. Syntonic will update the market once a definitive deployment agreement has been executed.

Greater China: Syntonic continues to engage with several local partners focused on China, Taiwan, and Hong-Kong targeting the licensing of DataFlex, the white-labelled Freeway sponsored data platform, and the Freeway Roaming Services.

³ <http://www.mobifone.vn/wps/portal/public/gioi-thieu/gioi-thieu-chung/lich-su-hinh-thanh>

Africa & Middle East

South Africa: In August 2018 Syntonic signed a service agreement with Vodacom Group Limited (JSE: VOD), granting the company a license to deploy a white-labelled version of the Syntonic CSP. With a launch expected imminently, the Freeway service will initially be deployed to Vodacom subscribers in South Africa, where Vodacom has a 40% market share and supports 20.3 million mobile data subscribers⁴.

Ghana: The Company continues to work with a local partner to deploy a white-labelled Freeway service, branded ZroNet on the three Ghana carrier networks: MTN Ghana, AirtelTigo and Vodafone Ghana. The ZroNet service has completed testing on all three networks with a commercial launch pending execution of a revenue sharing agreement with the Company.

Oman: Syntonic is supporting its partner Nazara Technologies to deploy a trial launch in H2 FY19 of the Nazara Games Club subscription service on the Ooredoo mobile network, to enable unlimited data access for game subscribers.

North & South America

Brazil: Following the completion of the asset acquisition of the Zenvia Mobile Servicos Digitais S.A ("Zenvia") Mobile Commerce Platform ("MCP") and the establishment of SYNTONIC BRASIL TECNOLOGIA LTDA, ("Syntonic Brazil"), the Company continues to integrate the MCP within the Syntonic CSP. Syntonic Brazil is generating revenues with the support of Zenvia, acting as the Company's agent during a transitional period as all carrier and content provider agreements are reassigned to the Company.

The Company has commenced business discussions with all four Brazilian carriers, Vivo, IO, Claro, and TIM, regarding its CSP solution to enhance their mobile advertising and commerce businesses.

United States: As advised in the Company's September 2018 quarterly report, Verizon has begun a strategic shift away from content services to focus on its 5G services in order to compete in the US market. This has resulted in slowing adoption for use of its white-labelled Freeway service. Verizon remains a revenue generating licensee with an agreement in good standing.

Europe

Turkey: Working with its reseller partner AKTAY A.S., Syntonic is integrating and testing the Syntonic CSP to enable white-labelled Freeway and DataFlex solutions with Türk Telekom, Turkcell, and Vodafone Turkey. The Company is progressing with the installation of the technologies with deployments scheduled for Q3 FY2019.

Global

Following the commercial launch of its digital commerce platform *opari* on the Safaricom network by Tata Communications ("Tata") in October, Syntonic is now generating early revenues from its platform license Agreement. The Agreement with Tata allows for *opari's* expansion into carrier networks world-wide.

Syntonic is engaging with several network equipment and network service providers to act as a channel distributor for Freeway and DataFlex. These carrier channels can assist with scale efficiency by leveraging their world-wide carrier sales relationships.

⁴ Vodacom's "Annual Results for year ended 31 March 2018" presentation



Syntonic Carrier Deployments: current and upcoming in Q3 FY19



Syntonic was a principle sponsor in November 2018 of the annual AfricaCom Conference, the largest telecom event in Africa. Over 15,000 delegates attended the annual conference, representing mobile operators, brands, app publishers and others from Europe, the Middle East and Africa. Lead generation and follow-on opportunities were fostered due to significant interest in both Freeway and DataFlex.

About Syntonic

Syntonic Limited (SYT.ASX) is a Seattle based software company which has developed two technology services: Freeway by Syntonic®, which allows consumers sponsored and subscription mobile access to content and applications; and Syntonic DataFlex®, which enables businesses to manage split billing expenses for employees when using their personal mobile phones for work. Founded in 2013, Syntonic has developed worldwide strategic partnerships with leaders in the mobile ecosystem.

To learn more about Syntonic, visit our new website at www.syntonic.com

For further enquiries, please contact:

Gary Greenbaum
CEO and Managing Director, Syntonic
E: ir@syntonic.com

Catherine Strong
Investor and Media Enquiries
E: CStrong@citadelmagnus.com