

31 January 2019

Netlinkz Announces Funding Update

Netlinkz Ltd., (the “Company”) announced that it has signed a Three Year Capital Commitment Agreement (“Agreement”) with GEM Global Yield Fund LLC SCS (“GEM Global”), a New York based private alternative investment group, which has agreed to provide the Company with up to AUD \$29 million through a Share Issuance Funding Facility (“Facility”) over the next 36 months.

Subject to its terms, the Facility can be used entirely at the Company's discretion. The Company may use the Facility to draw down funds in tranches in exchange for issuing new shares to GEM over the next 3 years. Should the Company decide to utilise the Facility, a draw-down notice will be issued to GEM, specifying the number of shares to be drawn under the Facility.

As part of the transaction Netlinkz will issue 86m three-year call options with an exercise price of 3.7 cents. 83.8m options will be issued immediately with the balance of 2.2m options subject to shareholder approval at an upcoming Company EGM.

As stated at the recent AGM the Company was in search of identifying an institutional investor. “The Company has achieved this objective” stated Executive Chairman James Tsiolis.

The Company will use the funds to significantly strengthen the business. These funds will allow the Company to focus on generating an extensive increase in the sales footprint throughout all of China for the product to harness the demand to secure IoT, public and private Cloud and other network telecommunications activities.

The Company will have access to GEM’s resources and balance sheet capital, availability to stock market analysts, investors, acquisition targets, strategic partners, lenders and other as appropriate to achieve the Company's growth targets.

Furthermore GEM will assist the Company with the development of its capital markets presence in Hong Kong, New York, Paris, London and any other jurisdictions as appropriate.

As a result the Company has the ability to focus on investing into resellers to allow accelerated sales in China as well as entering into new arrangements in other regions.

About GEM:

GEM (www.gemny.com), founded in 1991, is a USD \$3.4 billion- alternative investment group that manages a diverse set of investment vehicles focused on emerging markets across the world.

GEM has completed 370 transactions in 70 countries. GEM's investment vehicles provide the group and its investors with a diversified portfolio of asset classes that span the global private investing spectrum.

Their funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities (PIPEs) and select venture investments. GEM's funds include: CITIC-GEM Fund (matured in December 2015), Kinderhook Industries (GP and LP non-voting stakes), GEM Global Yield Fund LLC SCS, GEM India and VC Bank/GEM Mena Fund (GEM exited both its GP and LP stakes in these funds in 2015 and 2010).

*****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.