

28th March 2019 ASX Announcement

Retail Growth Accelerates, Vonex Refines Oper8tor for Launch

Highlights:

- Vonex delivers another record month for customer activity, with new customer order value accelerating in February to grow 34% year-on-year
- Inbound enquiries and targeted marketing continue to bolster Vonex's base of Channel Partners, adding 55 in FY19 to date
- The Company has successfully connected two major social media platforms through the test Oper8tor messaging platform, with a third imminent
- Release of Oper8tor on the app stores is expected in the June quarter of 2019 due to recent changes to user account security settings across social media platforms

Telecommunications innovator Vonex Limited ("Vonex" or the "Company") (ASX: VN8) is pleased to provide an update on progress and development towards the launch of its Oper8tor app, as well as other operational highlights.

Oper8tor is a disruptive aggregated communications platform which will comprise Conference, Voice, Message and Video functionality, facilitating user communication across a broad swathe of channels. The mobile app aims to seamlessly link all voice calls as well as messaging across multiple platforms and devices. Further development is expected to enable Oper8tor capability to link mobile phones, land lines, and selected communication apps simultaneously into a single voice call.

Following Facebook's recent announcement to consolidate their messaging platforms (see https://nyti.ms/2sNeM1P), Vonex has achieved significant progress on the Oper8tor messaging functionality, with successful chat testing conducted through the platform linking third-party messaging platforms as well as traditional mobile SMS. The Company has successfully connected two major social media platforms through the Oper8tor messaging platform, with a third imminent. The immediate focus is on facilitating integration of further social media platforms with the Oper8tor app.

The screenshots below show a selection of the screen designs for the Oper8tor user experience which is currently being refined for commercial launch.















Recent changes to social media users' account security, as discussed by Facebook founder Mark Zuckerberg earlier this month (see https://cnn.it/2Yummgr), have created a greater scope of work for Vonex's development team working on the app. As a result, the launch of the Oper8tor app in Australia, initially planned for the end of March, will be delayed into the June quarter to enable developers to complete the work needed for the app's functionality across platforms.

Vonex Managing Director Matt Fahey said spending additional time developing the app would ensure a better experience for users once it launches.

"We are delighted that our concept of 'everyone's in' has finally gained mainstream recognition. Facebook's recent announcement stating their opt-in service will allow users on one platform to be able to contact users on different Facebook-owned platforms, without having to 'friend' them first, completely validates our objectives with Oper8tor. The key point of difference, and the most exciting element which will underpin our path to scale, is that our product is agnostic and can target many communication platforms, putting Vonex at the forefront of messaging aggregation.

"Before we launch Oper8tor on the app stores, it is important that we focus on the integration of social media. Recent security changes announced for users of Facebook and its messaging platforms, Messenger, WhatsApp and Instagram, mean that we need to spend longer than initially expected to finalise the app ahead of its launch," Mr Fahey said.

Vonex has also recently achieved a milestone by getting Oper8tor Conference ready for white labelling to businesses. This white labeling will empower Vonex business customers to brand Oper8tor Conference with their organisational branding, including logos, colours and additional text.

Oper8tor Conference aims to focus on ease of use and functionality, empowering users to schedule and join conferences with minimal hassle. Vonex is integrating technology from Oper8tor Conference into the Oper8tor app, and it plans to roll the apps out in the larger market of Europe once the Australian launch is finalised. The project continues to track positively towards achieving commercial launch of the Oper8tor mobile app in Europe in early FY20, shortly



after the Australian launch.

Mr Fahey said despite the delay in launching Oper8tor, the broader Vonex business continues to perform well across several key metrics.

"Vonex achieved a record month in February, having passed the milestone of 27,000 active registered users of our Private Branch Exchange (PBX) system during the month and seeing new customer order value up 34% year on year.

"In March, we have passed the 27,500-user mark and successfully processed more than 500 new customer orders through our Channel Partner sales software, Sign on Glass. We have now added 55 new Channel Partners in FY19 to date, and we expect our user numbers to continue to grow rapidly as our partner program develops," Mr Fahey said.

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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.