

4 February 2020

Indicative timing of Proposed Disposal of Mining Royalties

Telecommunications innovator Vonex Limited ("Vonex" or the "Company") (ASX: VN8) provides further information to the announcement dated 3 February regarding the conditional sale of the Company's royalty over the Koolyanobbing Iron Ore Project ("Koolyanobbing").

Koolyanobbing is currently being mined by Yilgarn Iron Pty Ltd, a subsidiary of Mineral Resources Limited. When ore has been mined and sold from tenement M77/1258, Vonex has been entitled to a 2% royalty calculated on a quarterly basis.

Pursuant to the Johnston Range Tenement Sale Agreement between Golden State Resources (as Vonex was then known) and Cliffs Asia Pacific Iron Ore Pty Ltd ("Cliffs") dated 29 April 2010, Cliffs made a royalty prepayment of \$3 million to Golden State Resources. Following listing of the Company in 2018 as Vonex Limited, the royalty has held nil value on the Company's balance sheet, as Vonex has focused on its award-winning telecommunications services.

As announced 3 February 2020, Vonex has agreed to a proposal from SilverStream SEZC, a Canadian mining-focused royalty and streaming company, to acquire the Koolyanobbing royalty for total consideration of up to A\$2,500,000 ("Transaction").

Further to the announcement dated 3 February the Company provides the following additional information.

Conditions of the Transaction

The proposed Transaction is conditional on amongst other things, the following conditions:

- Vonex and SilverStream entering into a definitive purchase agreement on or before 31 March 2020 (may be extended by 60 days by either parties)
- SilverStream undertaking a minimum capital raise of \$3m USD as part of its TSX (or similar exchange) listing and meeting conditions of listing
- Regulatory approval or consent that maybe required

Indicative Timetable

Vonex and SilverStream intend to enter into a Definitive Purchase Agreement before the end of March 2020, with the Company convening a Shareholder meeting thereafter. Silverstream anticipates listing on the TSX before the end of April 2020.

The timetable is currently indicative and is subject to change. The Company will announce the signing of Definitive Purchase Agreement and update the timetable in due course.

Intended Use of Funds

Proceeds of the Transaction will be used to fund the 2SG Wholesale acquisition and business integration, and for general working capital purposes.

Shareholder Approval

The Company will shortly provide submissions to the ASX in relation to the application of Listing Rule 11.4. In the event that the application of Listing Rule 11.4 is upheld, and the Company enters into a definitive purchase agreement with SilverStream, the Company will convene a general meeting of shareholders to approve the Transaction to facilitate completion.

Authority

This announcement has been authorised for release by Matt Fahey, Managing Director of Vonex Ltd.

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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.