



“A simpler, faster and safer identity experience”

ASX Proposed: ISX

Investor Presentation November 2014

A new identity authentication system

Cloud based,
patented technology



Verify the identity of three billion customers to an international standard in 190 countries

Leverage off due diligence done by banks

Authenticate online payments across more than 30 card schemes

Eliminate manual Know Your Customer (KYC) processes

Authenticate online payments to identify customers & eliminate fraud

1

Evidence of Identity
(EOI) for KYC and eID:



No requirement to ID
a customer separately.

Government and Private sector
applications.

2

Strong Customer
Authentication (SCA):



Link identity and two factor
authentication (2FA) system used to
secure card payments

3

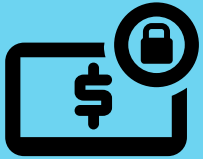
PEP/Sanctions
Screens:



Real time analytics incorporating
US, UK, EU, UN, Canadian and
Australian official lists to screen for
money laundering and fraud

Global market with a scalable cloud based business model

Primary Market



- EU based payment processors : compliance requirement for AML KYC & /or ECB SecuRE Pay.
- eMerchants in the SEPA/EU28 as part of the ECB's Strong Customer Authentication.

Professional services



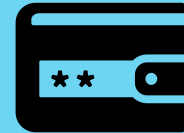
- Real Estate Sales/Rental Agents
- Travel Agents (US Patriot Act)
- Life Insurers
- Accountants/Auditors/Lawyers

Financial



- Stock Brokers
- Financial Advisors/Super Funds
- Financial Systems requiring two factor authentication technology
- Banks (incl debit, card issuers)
- Commodity/Bullion Brokers/ Currency
- Crypto Currency Exchanges (e.g. bitcoin)

Others



- eWallets/mWallet Providers
- Money remittance services/p2p
- Loan/Pawn Providers
- eCasino/eGaming/eWagering
- Any business routinely trading > US \$10k/transaction

Disruptive technology creates evidence of identity

AUTOMATED

Customer
Ease

Lower
Cost

Lower
Friction

Remote
on boarding

'Experian' or 'Veda' style
static, credit database
search (UK, US, AU)

- No dynamic means to include customer on request if not already a historic customer of a credit reporting agency.
- Requires cross check of other databases.
- Typical coverage of 60% of online applicants



iSignthis

- >3Bn accessible global payment instruments.
- No need for user's disclosure of bank details to a third party.



LOCAL

Face to face
checks



Notarised:
posted/uploaded
documents*



GLOBAL

MANUAL

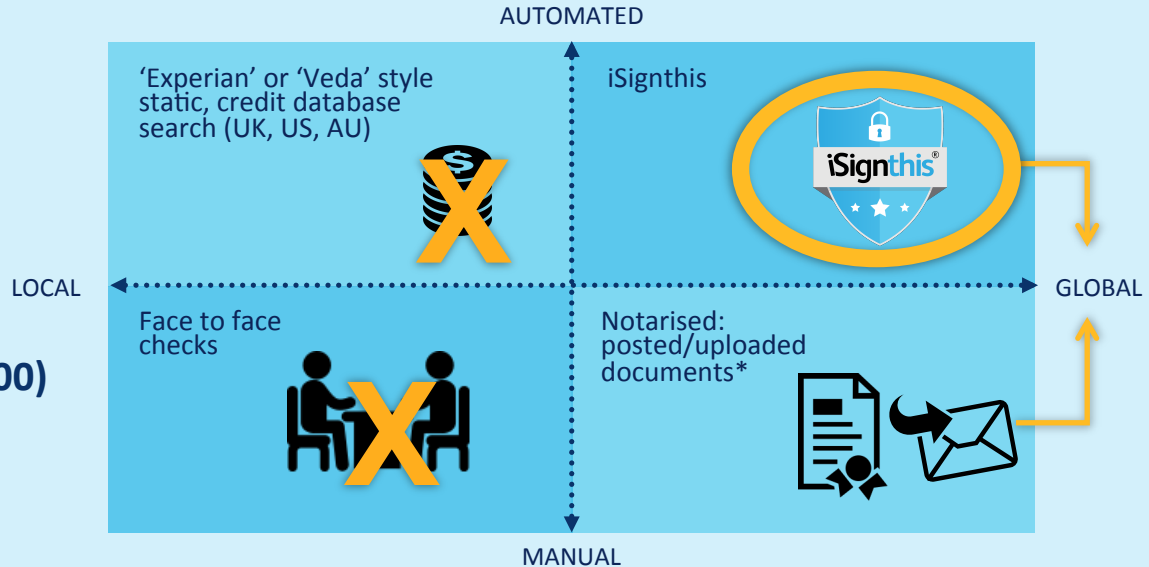
Cost of identity authentication

iSignthis is GLOBAL

- Cross Border
- Multi Jurisdictional Compliance
- Automated
- Near Real Time/
Customer Self Service
- Single Integration/Single System

Cf. EXISTING PROCESS

- Notarise Documents **(1 hour+\$100-\$200)**
- Registered Post Documents **(\$20-\$40)**
- Back Office Processing of KYC **(\$20-30)**
- Elapsed Time: **7 - 15 days**



A better solution to solve online credit fraud



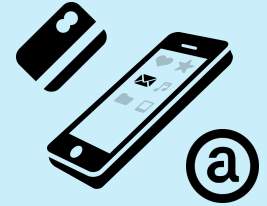
Online or mobile Customer



Customer transacts with eMerchant



iSignthis EOI :
AML/CTF KYC Identity traced & linked to 2FA and/or **KYC file created**



Link Identity & Payment Account with 2FA
First Factor: User selected Passcode
Second Factor: One Time Password by SMS
Or Assurance hard token



iSignthis confirms a customer owns the presented payment instrument, in turn leveraging the customer due diligence completed by the account issuer (Bank), in order to satisfy KYC requirements.

Evidence of Identity (EOI) is created dynamically on demand.

Executed Agreements

MARCH 2014



Payment authentication
(ECB/EBA Compliance)

APRIL 2014



Linking iSignthis generated
Identity to Integrate with the
national authentication
framework.

A wholly owned subsidiary of
the Singapore Government's
InfoComm Development
Authority (IDA)

MAY 2014



Payment authentication
(ECB/EBA Compliance)

Identity services for their
PSP and eWallet
(AML Compliance)

40 countries

Massive Market Size

European Market Alone

EU eCommerce market is worth EU363Bn in 2013*

Over 5.2Bn transactions, growing at CAGR > 20%

All transactions to be authenticated commencing in Aug 2015**



Experienced leadership

John Karantzis
CEO

B. Eng., LLM
(Commercial & IP), MEnt.



Attorney, chartered electrical engineer.
Past director of ASX listed digital media,
broadcast and telecommunication
companies.

**Barnaby
Egerton-Warburton**
Non-Executive Director
B.Ec., GAICD



More than 20 years experience in
equities, trading, financial markets,
M&A and has structured and executed
transactions in the United States, Europe
and the Middle East.

Scott Minehane
Non-Executive Director
B.Econ., LLB, LLM



Lawyer with focus on international
regulatory compliance and strategy in
telecommunications sector.
Current director ASX listed
telecommunications company.

Todd Richards
CFO
B.Bus, CPA



Previously CFO Australian ASX listed
digital media companies.

Capital Raising

The capital raising will be undertaken by way of a share placement to raise a minimum of **\$AUD2,000,000** and a **maximum of AUD\$2,400,000** at an issue price of AUD\$0.03 per share.

Post completion cash on re-listing between AUD \$3.5-\$3.9m

The **capital raising** will be conducted by way of an **offer to the general public via prospectus**.





Use of funds

Product Development	\$750,000
Licensing, Patents and regulatory expenses	\$100,000
Sales, marketing and promotion	\$1,000,000
Administration Expenditure and Working capital	\$1,030,000
Total	\$2,880,000

Details of acquisition of IST by OTIS



Consideration to acquire IST =
298,333,333 shares at AUD0.03c



336,666,667 performance rights



112,222,222 Class A Performance Shares

On achievement of annual revenue of at least **\$5,000,000**.

Annual revenue will be calculated on annualised basis over a **6 month reporting period**.

Class A Performance shares will **expire if unconverted within three years**.

112,222,222 Class B Performance Shares

On achievement of annual revenue of at least **\$7,500,000**.

Annual revenue will be calculated on annualised basis over a **6 month reporting period**.

Class B Performance shares will **expire if unconverted within three years**.

112,222,223 Class C Performance Shares

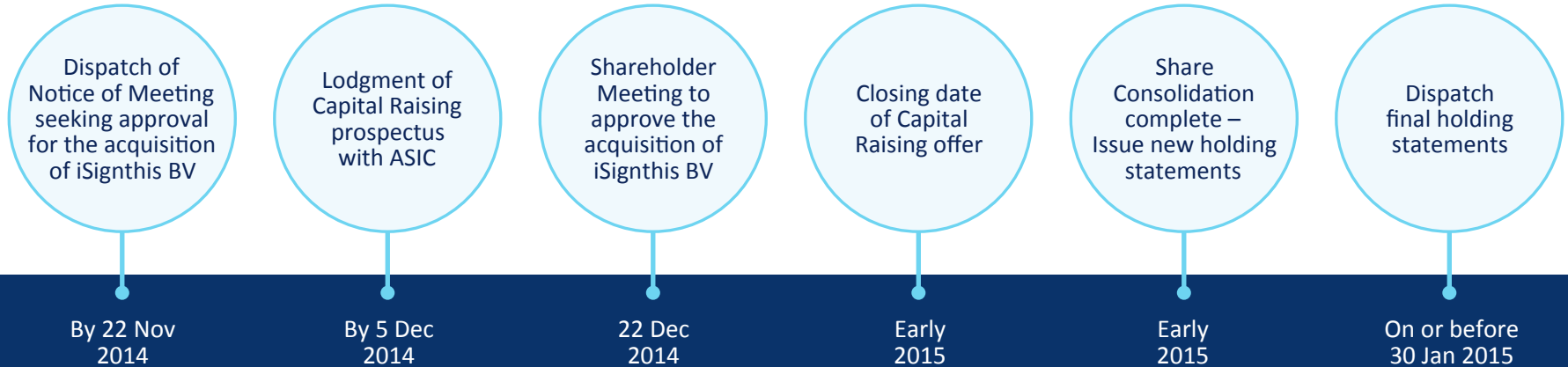
On achievement of annual revenue of at least **\$10,000,000**.

Annual revenue will be calculated on annualised basis over a **6 month reporting period**.

Class A Performance shares will **expire if unconverted within three years**.

Indicative Capital Structure

	Shares	Options	Performance Shares
Current Shareholders	1,597,064,508	196,049,962	
Post Share Consolidation - 10 to 1	159,706,450	19,604,996	
Consideration to acquire iSignthis	298,333,333		336,666,672
Capital Raising - Placement	80,000,000		
Post Acquisition Capital Structure	538,039,783	19,604,996	336,666,667



Investment timetable

News flow and near term value drivers

Engagement of sales teams



...in Asia, Europe and Oceania

New banking regulations



...in September 2015, requiring all online credit providers to have evidence of identity (EOI) and strong customer authentication (SCA)

Increasing transaction volumes



...through organic growth. In discussion and contract negotiations with multiple gateways, online betting and wagering companies and multinational technology providers

Why invest



1

Scalable global business model cash flow positive through unlimited adaptation of a multitude on online businesses

2

Market leader with limited competition protected by patented, innovative and disruptive technology

3

Clear exit strategy

Evidence of Identity

3 step process:

1

Check your card or account statement

You can access your statement **online, via mobile, computer, ATM or in-branch.**

Depending upon your bank, the debit/charges will appear on your statement anywhere between **0-3 Working Day.**



Mobile



Computer



ATM



In-Branch

2

Locate the 2 debits/charges from your merchant

For example, a **\$50 order** might be split into **2 charges**, which will always add up to the total value of your order.

In some cases, there may be 3 debits or charges from your merchant.



Credit or Account Statement

Merchant Charge 1	€39.09
Merchant Charge 2	€10.91
Total:	€50.00

3

Register by entering the debits or charges

Enter the 2 (sometimes 3) debits or charges on the registration page by following the link from your merchant.

You will also be asked to enter and verify your mobile phone number - we will send a code to your phone by SMS. Enter the SMS code and then choose a **6-digit PIN** that's easy to remember for future use.

Authenticate & Register

Merchant Charge 1	€39.09
Merchant Charge 2	€10.91
Your Mobile Phone #	<input type="text"/>
SMS Code	<input type="text"/>
Your 6-digit PIN code	<input type="text"/>

SCA & EOI: Account Verification

Transaction Verification:

Merchant: online merchant foo.com
Merchant Transaction ID: abcdef
Reference: test
ISignThis ID: e49a1cc3-3473-41bf-9eeb-3607620cf5c8

Please contact your bank and access your account statement. Then look up the value of the transactions from the merchant, whose name appears above. ?

If there's a currency conversion, we handle it automatically. Just key in the values as they appear on your statement, in any order.

These values will always add up to the total sales amount agreed between you and your merchant (following any currency conversion).

Debit/Charge 1: Debit/Charge 2:

You have 3 days to complete this process. We recommend that you call your bank using the number on the back of your card to look up the value of the transactions. Whilst most banks will update online/mobile statements quickly, some may take 24-48 hours, or up to 72 hours for international transactions.

By clicking above, I consent to the [legal terms](#) and acknowledge the [privacy notice](#)

Lookup Transaction > **Transaction Verification** > Profile Registration > Verification Code

Isn't the iSignthis EOI process familiar...?

Both PayPal and iSignthis rely upon similar legal principles to identify customers. iSignthis and Paypal processes are both patented, with the iSignthis user experience being familiar to any of the 148m Paypal users.

iSignthis has modified an adapted the process patented in 2002 by PayPal, to include verification of ownership of a financial instrument in near real time (0-3 vs 3-5 days), with additional benefit of specific transaction authentication.

iSignthis facilitates online identity much like Paypal facilitates online payments.

How to Complete Bank Confirmation



Why Secure?

By completing this process you confirm you own this bank account. Only you can know what amount has been deposited into your account by PayPal.

What can I do now?

You can [withdraw funds](#) from your PayPal account to your bank while waiting to complete the process.

Why do I need to confirm my bank account?

- Make instant payments funded from your bank account
- Transfer funds from your bank account to your PayPal account.
- Become Verified and remove sending and withdrawal limits.

PayPal™

Identify Payment Source

Patriot Act
compliance

Eliminate 3rd
Party Fraud

Streamline
check-in



Use marketing campaigns to pre-identify customers. Any non ticket purchase may be used to identify person and their payment means, and link payment source to their frequent flyer account (or a unique ID). Eg purchase of *membership, insurance, or discounted seat or room upgrades.*



A \$1 transaction may also be used to identify the customer and their payment means, with customer entering unique ID when booking ticket. Incentive may be a discount for pre-identified customers.



Funnel transactions that are deemed risky to **iSignthis** for authentication



Anti Fraud Business Case

Consider
X-border and
High Risk
Items

Break Even Point Analysis for an eMerchant

Assume Average transaction of € 70, with chargeback fee of € 25. Assume iSignthis authentication cost of €0.15/transaction. Using a base of 1000 transactions, Total sales value by eMerchant is € 70,000.

Authentication Cost to eMerchant = € 0.15 * 1000 = € 150 per 1000 transactions (incl ~ € 0.05/Tx PSP fee)

Fraud Rate of 3% of their transactions costs merchant directly $3\% * 1000 * (\text{€ } 70) + 3\% * 1000 * (\text{€ } 25) = \text{€ } 2850$

Fraud Rate of 1% costs merchant directly $1\% * 1000 * (\text{€ } 70) + 1\% * 1000 * (\text{€ } 25) = \text{€ } 925$

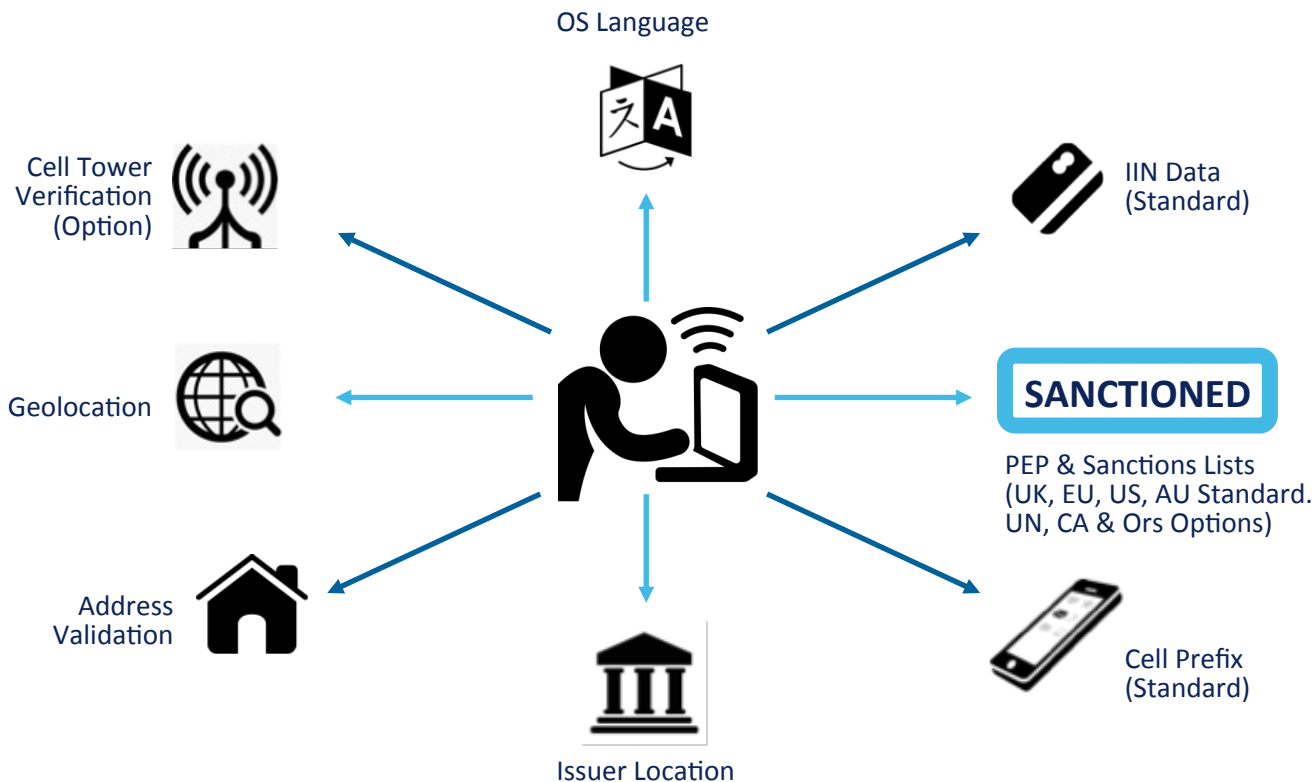
Fraud Rate of 0.25% costs merchant directly $.25\% * 1000 * (\text{€ } 70) + .25\% * 1000 * (\text{€ } 25) = \text{€ } 235$

Fraud Rate of 0.15% costs merchant directly $.15\% * 1000 * (\text{€ } 70) + .15\% * 1000 * (\text{€ } 25) = \text{€ } 152$ (Break Even)



EOI

Real Time Analytics : Compare what we collect



iSignthis (2013) compared with 3DS V1.0 (2002)

	iSignthis	3DS
Compliance to ECB	Yes, fully : subject to PSP co-compliance	No, 1FA only. 2FA when? 3DS v2.0 timetable vague.
Card Schemes	30+ covered, including majors. Does not require direct involvement from issuer or card scheme	Visa, Mastercard, AMEX*, JCB*, Diners*, subject to issuer enrolment. 3DS V2.0 is Mastercard and Visa only.
Coverage	100% coverage of all cards from any issuer. Enrolment is on presentation at acquiring side, via single point integration.	Less than 6% of Visa and 5% of Mastercard globally. Enrolment requires issuer involvement first, then acquirer, then processor, then merchant (4 point integration)
Cart Abandonment Rate	Cart Abandonment zero (enrolment and authentication post card checkout)	Mastercard figures indicate no less than 47% and up to 75%. Note 1
2FA Options	Standard : User PassCode + OTP via SMS Options : Google Authenticator Third party second factors	Uncertain. Likely OTP via SMS with Passphrase.
HTML5	Yes. Responsive design	No. Some issuers have mobile ready services.
Fraud Protection 'Break Even' Point	circa <0.15% Fraud Rate	Very High. For many merchants, cost of fraud is much less than cost of 3DS cart abandonment.
Customer Experience	Consistent. One Interface for all card types	Varies by card scheme and by issuer

Disclaimer



iSignthis®

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