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FOR IMMEDIATE RELEASE:

IWEBGATE COMMENCES PILOT PROGRAMS WITH MAJOR EUROPEAN TELCO BUSINESSES AND SERVICE PROVIDERS

Highlights

- Momentum continues post launch of IWG's European division earlier this year
- Positive preliminary discussions with pan-European service providers and major telecommunications organisations has led to the commencement and acceleration of a number of pilot programs, including:
 - A comprehensive product evaluation in the cyber security test labs of a global telco
 - A proof-of-concept deployment of iWebGate technology as the core security framework for a pan-European service provider's software platform
 - Progressive discussions with a global health services provider seeking flexible IT security solutions
- IWG continues to strengthen its operational and sales capability in the region worth US\$25 billion to support indicative demand for its products
- Provides further validation of potential opportunity for IWG's products across Europe and globally

Further to the ASX announcement dated 26 June 2015, iWebGate Limited ("iWebGate"; "Company") is pleased to provide an update on its newly launched European division.

In line with the Company's strategy to grow sales of its leading cyber security platform in Europe, iWebGate has begun discussions with pan-European service providers and major telecommunications organisations. In less than 60 days preliminary discussions have resulted in the launch of a number of projects, including a comprehensive product evaluation in the cyber security test labs of a global telecommunications company, as well the proof-of-concept deployment of iWebGate world-class security software technology as the core security framework for a pan-European service provider's software application platform.

iWebGate is also progressing positive discussions with global corporate organisations headquartered in Europe who are looking for flexible IT security solutions for pan-European and global deployment.

The Company continues to strengthen its operational and sales capability in the region where the cyber security market is estimated to be worth \$US25 billion and expected to grow to \$US35.53 billion by 2019. Furthermore, North America and Europe are the largest cyber security revenue contributors, according to TechSci Research.

Commenting on its European division, iWebGate managing director Mark Harrell said: "we are very encouraged by the positive response that our newly launched European team is already receiving regarding iWebGate's cyber security products. Global telcos have stringent requirements for testing third-party

products in their own domain and iWebGate's acceptance into their program validates the strength and potential of our products."

"The proof-of-concept deployment is further proof of iWebGate's enormous achievement in such a short span, and a testament of our technology capabilities and potential in the European market."

In addition to growth in Europe, the Company is also pursuing expansion plans in the US. iWebGate holds several patents in IT security and network virtualisation and is the winner of the US Department of Defence's global security challenge. It is a former winner of Telstra's Innovation Challenge.

iWebGate is part of Northrop Grumman's Cync Program and has fulfilled contracts for the organisation, the largest defence contractor in the US and fifth-largest globally worth US\$32 billion. The worldwide cyber security market continues to grow rapidly and is expected to increase from US\$75 billion in 2015 to US\$170 billion by 2020, according to reports by Visiongain, and Markets and Markets.

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Media

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About iWebGate

iWebGate, LTD is a technology company pioneering the Virtualization of Network Services. This new abstraction layer provides operational simplicity and new capabilities across all networks. iWebGate's segregation technology takes best practice DMZ Security and Cyber Kill Chain Processes and incorporates a "client delivery" model that enables secure provisioning to every segment of the market. Their software suite abstracts the network layer from all existing networks, allowing for internal stratification and endpoint security for all services and devices. iWebGate features a patented network linking technology, providing next generation VPN connectivity. All network services can be accessed via a secure, encrypted mobile container built for virtually every operating system and for any device: phone, tablet or laptop.

For more information, please visit: <http://www.iwebgate.com/>