

Shares:	131,389,015	Merchants (as at 31 Dec 2015):	5,022
Market cap (@ \$0.15):	\$19.7m (Approx)	Members (as at 31 Dec 2015):	1,537,098
Cash (as at 31 Dec 2015):	\$1.8m (Approx)	Check-ins (as at 31 Dec 2015):	22.9m

Network growth continues, supporting monetisation momentum



5022
Merchants



1.54m
Members



22.9m
Check-ins



4x
Qtr/Qtr

DECEMBER QUARTER HIGHLIGHTS

- Network growth exceeded 31 December targets across all key metrics
- Additional Channel Partnerships established with industry leaders which will drive Network Growth efficiencies
- Monetisation of Rewardle Network being demonstrated with cash receipts of approximately \$120,000 for December quarter, up 4x on September quarter and greater than total for FY15
- Strong progress in developing an active pipeline of business development opportunities across both Channel Partnerships and Brand Partnerships to build on Network growth and monetisation momentum

The December quarter was another strong period of Network growth and the substantial acceleration in cash receipts is the clearest demonstration to date of the Rewardle Network being commercialised.

Monetisation traction demonstrated during the December quarter is expected to gather momentum in upcoming periods as management's pursuit of commercial opportunities is enhanced by Rewardle growing Network scale and ongoing Platform development.

Rewardle founder and Managing Director, Ruwan Weerasooriya said:

"The strong acceleration in our cash receipts during the December quarter represents our initial monetisation efforts gathering traction. We are confident that we can build on this momentum in coming periods to support our ongoing operations and continued focus on network growth."

"The value of Rewardle's growing Network was validated during the quarter with Google revealing Rewardle as one of their initial partners for the upcoming launch of Android Pay in Australia."

"We were delighted that Google identified us as a domestic leader in the mobile payments space and look forward to working with them along with other partners to grow Rewardle in 2016."

Rewardle Network growth continues

Network growth exceeded previously stated 31 December targets across all key metrics and new records were achieved for the fastest 100,000 Members and 1m Check-ins during the December quarter, in spite of an expected seasonal slow down.

	Merchants	Members	Check-ins	Prepaid Added	Prepaid Used	Prepaid Held
31 Dec Target	5000	1,500,000	20,000,000	N/A	N/A	N/A
31 Dec Actual	5022	1,537,098	22,972,243	\$2,854,482	\$2,203,869	\$650,613

Based on historical insight, the trading patterns of Merchants and daily rituals of Members are disrupted over the holiday season and this typically results in a seasonally slower period of Network growth and engagement from the end of November until the start of February. This seasonal slowdown is typically reflected in slower December and March quarterly growth with patterns normalising in subsequent periods.

The record growth of Membership and Check-ins during what has traditionally been a seasonally slow period illustrates the growing influence of Rewardle’s Network Effect. It illustrates the merit of initially pursuing Network growth to build value and utility for Merchants and Members which in time develops into self sustaining growth and can be readily monetised once critical mass has been established.

Channel Partner Network continues to develop

During the December quarter Rewardle established Channel Partnerships with a number of industry leaders including Bite Size Coffee Treats, Dimattina Coffee and Belaroma Coffee Company.

Each of Rewardle’s Channel Partners have committed to endorse and promote the Rewardle Platform to their client bases, which in aggregate total thousands of local merchants.

The endorsement and introduction to Merchants by industry leaders supports the efficient expansion of Rewardle’s Merchant Network and supports the Company’s objective of building a dominant presence across the local retail landscape.

Management is encouraged by the growing engagement of industry leaders who are recognising the potential of the Rewardle Platform to transform the retail experience at local brick and mortar businesses to drive stronger customer engagement and sales.

The Company is continuing to develop a pipeline of Channel Partnerships which will support the cost efficient growth of our Merchant Network. These include a number of discussions with high profile industry leaders. The Company expects to announce further partnerships as they are formalised.

Subsequent to the end of the quarter Rewardle added Di Bella Coffee, a subsidiary of Retail Food Group (ASX:RFG), to its network of Channel Partners.

Monetisation of Rewardle Network gathering momentum

During the December quarter Brand Partnerships and Merchant services supported cash receipts of \$120,000. For context, this quarterly result was 4x the September quarter (\$30,000) and greater than the total cash receipts during FY15 (\$99,000). The growing scale of the Rewardle Network coupled with ongoing development and innovation ensure the Company is very well positioned to continue growing revenues over coming quarters.

This substantial acceleration in monetisation is the clearest demonstration to date of the developing commercial potential of the Rewardle Network. Encouragingly this has occurred during a period where the Company has been focused on the growth of the Rewardle Network rather than monetisation of the Network. Management is confident of building on this momentum in future periods with an initial focus on Brand Partnerships.

In addition to driving short term cash flow, Brand Partnerships add value and strengthen the engagement of Merchants and Members, which supports the future development of Rewardle's Software as a Service (SaaS) revenue stream.

The business development efforts of the Company have been bolstered with the appointment of Michael Johnstone as Commercial Director at the start of October. Mr Johnstone is a proven sales leader with a strong track record of success across traditional media and launching new digital platforms.

Commercial opportunities are being enhanced by the accelerating growth and scale of the Rewardle Network. Discussions with some of Australia's best known brands are at various stages of development. The Company will update the market on progress as these deals are formalised.

Positioned to leverage Platform development during 2016

Following the previously reported software development project that involved the once off use of external software development resources to assist in the re-architecture and extension of the Rewardle Platform, the operational cost base has fallen back into line with previous levels.

Rewardle's in-house technical resources have continued the development of Rewardle's platform and new features are scheduled to be launched in the current quarter that will enhance user engagement and commercial opportunities.

In addition to the cash at bank of \$1.8 million at the end of the quarter the Company has lodged an application under the Federal Government's R&D Tax Incentive scheme for FY15 which is currently being processed.

The application made under the same scheme for FY14 resulted in a cash payment of more than \$700,000. The FY15 application reflects the increase in R&D related activity undertaken during FY15. The Company will update the market on progress of the application as appropriate.

About Rewardle Holdings Limited

Rewardle is a social network that connects over 1.5 million Members with over 5,000 local businesses around Australia.

The Rewardle Platform is a marketing and transactional platform that combines membership, points, rewards, mobile ordering, payments and social media integration into a single cloud based platform powered by Big Data analysis.

Rewardle is positioned to be a leading player as the worlds of social media, marketing, mobile and payments converge to transform how we connect, share and transact.

The Company listed on the ASX on the 7th October 2014 and is led by an experienced entrepreneurial team with a successful background in Internet and media businesses.

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