

ASX ANNOUNCEMENT

18 February 2016

WhatsApp, BBM® (Blackberry Messenger), WeChat, Twitter, and Clash of Clans to be Made Available as Sponsored Data Applications via Freeway by Syntonic®

Highlights:

- ***Syntonic expands mobile content services to Southeast Asia to accelerate advertising, content, and application growth***
- ***The market expansion will enable leading mobile operators to offer subscribers in the region with free mobile access to Clash of Clans and an inaugural list of popular messaging and social media applications***
- ***The first wave of applications available include Clash of Clans, WhatsApp, BBM, WeChat, and Twitter. This catalog of sponsored content offers will initially be available in Southeast Asia***
- ***Sponsored data set to become a US\$6b market opportunity in Asia and a US\$23b opportunity worldwide by 2019. Southeast Asia represents the world's highest concentrations of smartphone devices as well as prepaid data plans, making it the most attractive market for sponsored data services***
- ***India's Telecom and Regulatory Authority's position on sponsored data does not impact the Syntonic by Freeway business, which offers multiple content services that are compliant with India's regulatory policies***

Seattle, WA – Syntonic Wireless, Inc. (“Syntonic”), a mobile platform services provider, today announced that an updated version of its Freeway by Syntonic® application, currently available to AT&T customers in the United States, will be made available in Q1 2016 in Southeast Asia, and for the first time, provide native application support for sponsored content services. The market expansion will enable leading mobile operators the opportunity to offer subscribers in the region with free mobile access to Clash of Clans and an inaugural list of popular messaging and social media applications. Freeway by Syntonic is opening new opportunities for mobile operators, app developers, and brand advertisers to reach mobile subscribers in Southeast Asia, a market with an insatiable demand for mobile content. The first wave of applications available include Clash of Clans, WhatsApp, BBM, WeChat, and Twitter. This catalog of sponsored content offers will only be available in Southeast Asia.

Recent research found that sponsored data will become a US \$6b market opportunity in Asia and a US \$23b opportunity worldwide by 2019. Indonesia, Philippines, Thailand, and Malaysia represent the world's highest concentrations of smartphone devices as well as prepaid data plans, making it the most attractive market for sponsored data services. In Indonesia, 98% of mobile plans are prepaid, whereby the consumer purchases data, and rations usage until they've reached their limit. While U.S. operators have jumped on sponsored content services – AT&T Data Perks, Verizon FreeBee Data, and T-Mobile Binge On™ – a compelling market opportunity for sponsored data resides in prepaid markets, where mobile data traffic is forecasted to increase 14 times from 2015 to 2021 and with data costs comprising 2-6% of median household income.



Freeway by Syntonic's innovative technologies enable new business models for consumer access to the mobile Internet. These include sponsored data, bundled access with content subscriptions, data rewards and other creative approaches to connect consumers with mobile content. All of these new ways of accessing content can be used to help mobile

advertisers, application developers, and content owners acquire new customers, deepen engagement and loyalty with existing consumers, and evolve new ways to monetize consumers.

Freeway by Syntonic is the only application that provides a comprehensive solution that allows sponsors and brands to manage their campaigns across multiple operators and worldwide geographies including Syntonic's initial focus in the rapidly expanding Southeast Asia markets. Whilst India is not a short term target market for Syntonic's expansion, the company notes that the Telecom and Regulatory Authority of India (TRAI) has taken an isolated position that sponsored data is a form of 'discriminatory pricing,' however Freeway by Syntonic supports additional content services models that conform to TRAI policies, such as loyalty and data rewards programs. For example, consumers could watch a mobile advertisement and be rewarded with access to the mobile Internet for some time duration. Freeway by Syntonic's non-discriminatory platform is open to all content providers and supports a wide variety of business models that are compliant in India and the rest of the world, addressing the needs of 4.3 billion people who cannot afford to connect and the 2.0 billion people who ration their data usage.

"We believe 2016 is the year of new content access models, such as sponsored data," said Gary Greenbaum, co-founder and CEO, Syntonic. "Southeast Asia is emerging as the world's largest and most active prepaid data market, and consumers have demonstrated an enormous appetite for accessing mobile content and applications. The market has all the right conditions to make significant progress in sponsored data innovations and business models. Freeway by Syntonic is the most complete content services platform in the market, and we plan to lead the charge in revolutionizing how mobile content is discovered, consumed, and monetized."

Initially, Freeway by Syntonic will provide sponsored data support for WhatsApp, BBM, WeChat, Twitter, Clash of Clans and will be expanding content throughout Southeast Asia during 2016. To access supported apps, consumers need only download the Freeway by Syntonic application from the Google Play store. Once the Freeway by Syntonic application is installed, all content promoted in the app will be sponsored. The Company's sponsored data market expansion is following the Consumer Electronics Show 2016 (CES), where Syntonic sponsored access to all CES content for AT&T mobile subscribers.

About Syntonic

Syntonic is a U.S. based Seattle software company which has developed two technology products: Freeway by Syntonic gives consumers the ability to connect to the mobile Internet free of charge on their mobile phone by having advertisers pay for the data; and Syntonic DataFlex allows businesses a cost effective mobile split billing solution to separate personal from business use on employee smartphones. Founded in 2013, Syntonic has developed worldwide strategic partnerships with leaders in the mobile ecosystem. To learn more about Syntonic visit www.syntonic.com.

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