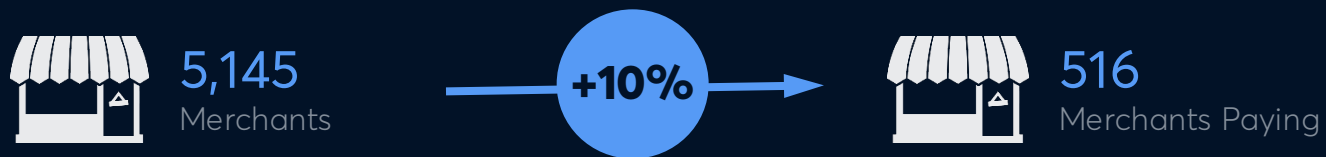


Shares:	131,389,015	Merchants (as at 31 Mar 2016):	5,145
Market cap (@ \$0.115):	\$15.1m (Approx)	Members (as at 31 Mar 2016):	1,732,402
Cash (as at 31 Mar 2016):	\$2.3m (Approx)	Check-ins (as at 31 Mar 2016):	27.2m

Strong start to Merchant revenue development



MARCH QUARTER HIGHLIGHTS

	Merchants	Members	Check-ins	Prepaid Added	Prepaid Used	Prepaid Held
As at 31 Mar 2016	5,145	1,732,402	27,245,239	\$3,391,984	\$2,645,022	\$746,962

- Cash receipts increased 76% quarter on quarter from \$120,000 to \$212,000, operational cash outflow decreased approximately 20% quarter on quarter from \$1.4m to \$1.13m (excluding R&D tax refund), and cash on hand increased from \$1.8m to \$2.3m.
- Brand Partnership momentum continued with Rewardle executing agreements with a top tier telecommunications company, a "Big Four" bank and variety of retail, entertainment and hospitality partners.
- 516 Merchants have been migrated from free trials to paying under Rewardle's Merchant Services (SaaS) Program, representing over 10% of Rewardle's Merchant Network.
- Having established market leading Network scale, management is evolving the Company's approach to executing on its strategy of creating a dominant presence across local communities.

The March quarter has seen Rewardle's monetisation traction gathering momentum. Following the initial acceleration in cash receipts of \$120,000 reported for the December quarter, quarter on quarter cash receipts increased 76% to \$212,000.

During the period a program to start building Rewardle's Merchant Services (SaaS) revenue stream was initiated. 516 Merchants, representing over 10% of Rewardle Merchants, have been converted from free trials to Rewardle's Merchant Services (SaaS) Program and are now paying to use the Rewardle Platform via both flat rate and performance based fees.

As previously indicated, key engagement metrics during the December and March quarters experienced a seasonal slow down due to changes into behavioural patterns of Merchants and Members over the summer holiday season.

Management is encouraged by the Network growth and engagement over this seasonally slow period, particularly in light of the Company's focus on the conversion of Merchants from free trials to paying for use of the Rewardle Platform during the quarter.

Brand Partnerships gathering momentum

The Company has executed Brand Partnerships with a top tier telecommunications company, a "Big Four" bank and variety of retail, entertainment and hospitality partners.

At the request of the Telecommunications and Banking partners the Company has agreed not to identify their brands as the campaigns are not yet active. Both these campaigns will be live and visible to the public in coming weeks.

The Company has undertaken Brand Partnership activity as outlined below:

- Cellarmasters, an online wine retailer owned by Woolworths, provided Rewardle Members with the opportunity to use points to redeem an exclusive \$50 discount offer;
- Brisbane Lions AFL team offered Rewardle Members the chance to use points to redeem a 50% discount on tickets to the North Melbourne home round;
- Little Shop of Horrors, a musical theatre production, is using the Rewardle Network to promote the show and providing Members with the chance to win tickets; and
- The Emporium Hotel in Brisbane is using Rewardle to raise awareness with Brisbane locals for business stays and weekend escapes and is providing Rewardle Members with the chance to win accommodation packages.

Brand Partnerships have dual commercial drivers in Rewardle's business model. The advertising component drives revenue, and the promotional activity engages Members, adding value for Merchants and supporting the case for them to pay to use the Rewardle Platform.

Having achieved a level of critical Network scale and with growing Brand Partnership momentum, the Company has initiated a program to convert Merchants from free trials to paying for use of the Rewardle Platform.

Merchant Services (SaaS) revenue development

As at 31 March 2016, 516 Merchants have been converted from free trials to Rewardle's Merchant Services (SaaS) Program under which Merchants pay for using the Rewardle Platform through a combination of flat rate and performance based Merchant Service (SaaS) fees.

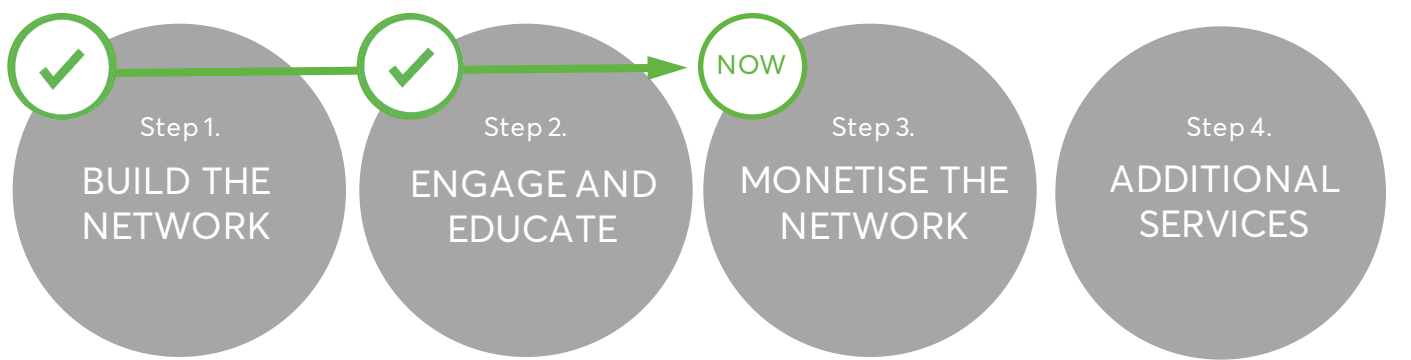
Developing the Merchant Services (SaaS) revenue through a combination of flat rate (i.e. \$49 per month) and performance based fees provides Rewardle with a level of flexibility that is essential for working with a highly fragmented and diverse range of Merchants.

While flat rate service fees are expected to form an ongoing component of the Company's approach to building Merchant Services (SaaS) revenue, the transactional nature of Merchant and Member engagement allows Rewardle to optimise Merchant Services (SaaS) revenue through performance fees linked to the level of engagement that develops between an individual Merchant and the Rewardle Platform.

While optimising performance based service fees will require further development and refinement over time, the early results from the performance based components of the Merchant Services (SaaS) Program have been promising. During the quarter, a range of performance fees have been generated from participating Merchants, with revenue generated ranging from below \$10 per month for initiating levels of engagement, up to \$120 per month for more highly engaged Merchants.

Rewardle's Merchant Services (SaaS) Program is expected to continue to develop and become more robust over time, evolving based on analysis of data along with Merchant and Member insight and feedback.

Supported by initial Network critical mass, management is evolving the execution of Rewardle’s strategy to dominate local communities



Management is competently executing on a simple and proven plan to success which has initially involved building a critical mass of Network scale and engagement prior to monetisation of the Network.

While the ongoing growth of the Rewardle Network remains a key long term strategic goal, having exceeded a Network scale of over 5,000 Merchants and 1.5m Members at 31 December 2015, management believes Rewardle has established a level of market leadership and critical mass that permits the evolution of the Company’s approach to its strategy of establishing a dominant presence across local communities.

This evolution is evident in the initial conversion of over 10% of Merchants from free trials to paying for use of the Rewardle Platform under Rewardle’s Merchant Services (SaaS) Program. Moving forward, this conversion activity will continue, along with adjustments to Rewardle’s new Merchant acquisition approach which includes active discussions with enterprise partners who may pay for the roll out of Rewardle across groups of Merchants.

Having achieved a level of critical mass, the inherent Network Effects of Rewardle’s business model are expected to support ongoing organic growth of both Merchants and Members.

The shift of focus from Merchant acquisition via free trials, to the development of Rewardle’s Merchant Services (SaaS) revenue stream, is expected to reduce the rate of new Merchant acquisition while Membership, underpinned by the scale of the existing Network, is expected to continue growing towards 2m Members and beyond in coming months.

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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