

16 June 2016

MARKET UPDATE

- **Finalisation of Data Interception and Data Retention plans mark significant milestone for the Company and its pathway to full compliance with ACMA and CAC**
- **Substantial changes to platform required to support the interim data retention and interception requirements will impact the timing of the App Launch**
- **Updated launch plan to follow, incorporating additional features and extended marketing strategy designed to position Wangle as a leading, fully compliant network optimisation, e-safety and privacy platform ensuring a more robust feature rich product.**
- **Product offering and protection strengthened through additional patent development surrounding revolutionary new insights and family protection features**
- **Wangle is fully funded to meet the new commercial schedule**
- **Leading media agency Dentsu Mitchell signed as marketing partner to assist Wangle in its App launch**

Wangle Technologies Limited (ASX: WGL) ('Wangle' or the 'Company') advises that compliance with the Data Interception and Data Retention obligations as a Carriage Service Provider (CSP) requires additional functionality than what was previously contemplated. As a result, the release of its consumer iOS and Android App will be put on hold until these matters are addressed.

Since lodging its complete Data Interception and Data Retention plans with authorities in April, the Company has been re-engineering its platform to meet these interim data retention capabilities and provide a foundation for complete interception compliance.

This work has involved significant changes to the security layer of the software and the physical/virtual infrastructure underpinning the platform. Further work will need to be undertaken to ensure it meets the standard set by the company to ensure the user will have the very best experience.

The Wangle App delivers increased Internet speeds and significant savings in data consumption, however further work is required to fully integrate the changes to be in compliance with the legislation.

These matters need to be appropriately addressed before the Company can launch the App. Further to this, the Company has now moved to engage a third-party specialist in the field of lawful interception to assist with the integration of a proprietary Lawful Interception Management System (LIMS) and to work with the operations team to redesign the data capture and retention facilities.

This approach also allows for the completion of further patents, and in turn, the inclusion of Wangle's revolutionary data insights platform and family protection add-on to round-out the initial product offering.

Wangle's Parental Pack and Insights platform are currently under active development, which will continue in parallel to performance and optimisation works outlined above. The expanded feature-set further differentiates Wangle from its competitors and extends the relevance of the

initial product offering and marketing to an additional audience. Preliminary research indicates this additional audience to include over 854,000 customers in Australia alone (iCCS Roy Morgan Database 2015) who believe it is important to manage internet content for their families and to improve their understanding of how their children use the internet.

The Company will soon be updating the market, with a detailed release schedule and associated marketing plan currently under development. Further details surrounding the release, additional market research commissioned to complement the marketing strategy and the marketing plan itself will be provided as they come to hand.

Wangle has more than adequate financial resources to meet the new timetable for the launch of its revolutionary App.

Lastly, the Company would like to acknowledge the importance of the role that the Australian Communications and Media Authority (ACMA) and Communications Access Coordinator (CAC) play in protecting Australia and remains committed to providing a fully compliant product for the Australian / New Zealand marketplace.

The Chief Technology Officer for Wangle, Cam Worth, commented: *“This isn’t a decision that was made lightly and we understand that it’s not ideal from a timing perspective only, but equally we believe that it is in the best interest of our Company and its shareholders in the medium to long term. At the end of the day that is what really matters to us. The downside to breaking new ground and pushing the limits of current technology is that there is no blueprint, and while it has been disappointing from a timing perspective, we still believe in the importance of offering customers a compliant, easy-to-use product that will enhance their online experience and help them to protect themselves and their families’ from a growing number of security and privacy threats.”*

Wangle has signed leading Australian media agency, Dentsu Mitchell as its marketing partner for the App launch.

Dentsu Mitchell will commence the Australian and New Zealand marketing campaign through social and digital media channels and assist Wangle in further market analysis of its product to help further enhance Wangles offering.

The Dentsu Aegis Network is extensive and has offices in 5 continents and 146 countries with over 30,00 staff to assist in the global digital roll out strategy of the Wangle App. <http://www.dentsuaegisnetwork.com.au>

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ABOUT WANGLE TECHNOLOGIES

Wangle Technologies has developed patented algorithms to optimise data flow between devices. It allows faster data transfer and reduces data overhead, while enhancing security and privacy. Wangle's technology provides compelling value to consumers and to service providers looking for innovative low cost solutions to manage network capacity in the face of unprecedented growth in data consumption.