

23 June 2016

Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

SHAREHOLDER LETTER FROM THE CHAIRMAN

Dear Shareholders,

The past week has been a challenging period for Wangle Technologies Limited (**ASX:WGL**) (**Wangle** or the **Company**) and its Shareholders and I am writing to you to explain the reasons behind the difficult but appropriate decision we made to postpone the launch of the Wangle App and to reassure you all about the future of the Company.

Wangle believed that it was able to deliver the Platform with support for the Australian Communications and Media Authority (**ACMA**) and Communications Access Coordinator (**CAC**) interim solution based on the plan submitted during negotiations with the two relevant bodies, which led to Wangle being granted an 'exemption' from the Data Interception and Data Retention regulations.

This interim plan introduced changes to our software to meet the relevant requirements for the exemption and provided the foundation for complete compliance.

The development and technical team at Wangle believed it was achievable to deliver a working version of the App by the launch date which met the ACMA/CAC requirements as well as providing a foundation to continue towards achieving full compliance within the ACMA timeframes.

In order to achieve this, the interception and retention component of the App was worked on alongside the core IP and then assembled for launch on the 15th of June. Prior to this all indications were that the 'compliance' version of the App would achieve comparable results to the non-compliant version.

As a result, the Board made the very difficult decision to postpone the launch of the App on the 15th of June immediately after identifying that the version with interim compliance measures, running on the production infrastructure, was not delivering results that would be satisfactory for launch.

Up until this point, the Company still held the view that a suitable product would be available, and work continued to develop a full understanding of why the changes to the platform had the impact it did.

Ultimately, the decision to postpone the launch was based on the App not being ready to the highest of standards we have set for its performance. This was supported by advice from marketing and technical advisors suggesting that the App should only be launched when completely ready on both platforms and with suitable results. It is important to be clear that we did not make the decision based on this advice; it simply supported the decision.

Lastly, the Board acted immediately upon becoming aware of the potential issue regarding regulatory compliance by seeking expert advice, which in turn led to direct engagement with the regulatory bodies, including sending a Wangle representative to Canberra to meet them in person.

We were fully aware that our decision to postpone the launch would cause concern among Shareholders who have been waiting to download the App. However, we believe that the interests of the Company and Shareholders are best served by putting the best possible App that we can on the market to give it the best chance to maximise revenue and therefore long term value for Shareholders.

There are many upsides to investing in technology companies but unfortunately at times, the development of new software, particularly software that has never been written before, can encounter unforeseen events.

I can also reassure Shareholders that our Company is well funded and resourced. We have circa \$3.2 million in the bank and we believe this is more than sufficient for us to commercialise the Wangle App.

We are currently working on a new launch and marketing plan and will provide more details to the market once we finalise this plan with ongoing short term news flow to compliment this strategy.

I thank you for your understanding, patience and ongoing support.

Yours sincerely,



Andrew Haythorpe
Chairman

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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.