



4 APRIL 2016

RAKON LIMITED (NZX: RAK)

Rakon investment drives new trans-Tasman IoT network

NZSX-listed technology company Rakon Limited (“Rakon”) is set to play a central part in the development of an Internet of Things (IoT) network in New Zealand and Australia.

Rakon today announced it had invested a further AUD4.2 million in Australian-headquartered company Thinextra Pty Limited (“Thinextra”), making a total of AUD5.8 million invested over the past four months in return for a 63.8% shareholding (which would adjust to 47.7% in the event Thinextra’s founding shareholders chose to exercise all their outstanding options).

Thinextra was set up to develop Australia’s first dedicated IoT network, using LPWAN (low-power wide area network)* technology developed by French company SIGFOX. With Rakon’s involvement Thinextra would now expand its operation to include New Zealand.

Rakon Managing Director Brent Robinson said Rakon had considered working with SIGFOX directly and developing the New Zealand network itself. However, Thinextra’s technical expertise, and the ability to tap into the preparatory work Thinextra had done across the Tasman, made a collaborative approach the natural choice.

“If the Thinextra team hadn’t existed, we would have had to invent them,” Mr Robinson said.

“Their knowledge of the IoT, and the strong relationship they have with SIGFOX, who are the world leaders in this field, is a great fit with Rakon’s commitment to innovation in communications and our knowledge of the local market.”

Thinextra Chief Executive Officer Loic Barancourt said Rakon was the perfect partner.

“Our priority over the past few months was to secure the additional capital necessary to develop the Australian network,” he said.

“In Rakon, we have aligned ourselves with a partner that brings a lot more than that – in particular, complementary knowledge of and expertise in the telecommunications and global positioning industries,” said Mr Barancourt.

“We also now have the opportunity to develop a trans-Tasman network, which offers significant advantages to current and future IoT users.”

Mr Barancourt said Thinextra was currently carrying out trials in Australia. Work on installing the New Zealand network was expected to be under way by June and the company was aiming to reach 85 percent of all Australians and New Zealanders within the next 18 months.

Rakon retains an option for further investment of AUD3.0 million based on specific milestones being achieved.

Brent Robinson
Managing Director & Chief Executive Officer

-ends-



Media Enquiries:

Louise Howe (Media Liaison)

021 206 0985

www.rakon.com

About Rakon

Rakon is a global high technology company and a world leader in its field. The company designs and manufactures advanced frequency control and timing solutions for telecommunications, global positioning and space and defence applications. Rakon products are found at the forefront of communications where speed and reliability are paramount. The company's products create extremely accurate electric signals which are used to generate radio waves and synchronise time in the most demanding communication applications. Rakon has five manufacturing plants including two joint venture plants and has five research and development centres. Customer support centres are located in ten offices worldwide.

Rakon is proud of its New Zealand heritage; it was founded in Auckland in 1967. It is a public company listed on the New Zealand stock exchange, NZSX, ticker code RAK.

About Thinxtra

Thinxtra is a newly formed Internet of Things (IoT) company founded by IoT experts who share the same passion and expertise: connecting things to improve business processes. Thinxtra will empower Australia and New Zealand's Internet of Things with world-leading IoT solutions & services, bringing a full eco-system of IoT solutions & suppliers to enable the non-connected to connect, to increase productivity, accelerate decision making, improve quality of service or simply solve problems in an economic & connected manner. Visit www.thinxtra.com and follow us on Twitter @Thinxtra.

About SIGFOX

SIGFOX is the world's leading provider of dedicated communications service for the Internet of Things. The company's network complements existing high-bandwidth systems by providing simple, economical, energy-efficient two-way transmission of small quantities of data over long distances, thus lowering barriers to wide implementation of IoT solutions, and greatly extending the battery and service life of connected devices. Currently operating in 14 countries and registering over 7 million devices in its network, SIGFOX is today the only IoT-dedicated connectivity solution commercially available that guarantees a high level of service and reliability on an international scale. Corporate headquarters are in France, and the company has offices in Boston, Dubai, Madrid, Munich, San Francisco and Singapore.

For more information, see www.SIGFOX.com and follow us on Twitter @SIGFOX.

*About LPWAN technology

The majority of IoT-connected devices do not need to send huge data loads: they can function perfectly well using ultra narrow band technology. This type of solution can be set up and operated for as little as one-tenth of the cost of using a 3G/4G device, and because they are only "on" when they are transmitting, power demand is negligible.

The significantly lower set-up and running costs make this technology a viable proposition for a great many more possible applications than are currently connected.

The SIGFOX network has been designed with the IoT in mind. Typically, it is based on antennae and base station infrastructure that is completely independent of existing networks. SIGFOX is the only company rolling out a global network fully dedicated to connected objects. The SIGFOX network provides:

- Low energy consumption (many devices are battery powered).



- Long range (reducing network and subscription costs).
- Ease of use.
- Security and reliability.