



ZipTel Limited (ASX:ZIP) - Investor Presentation

April 2016

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ZipTel Overview - Who are we and What do we do?

ZipTel Limited ("ZipTel") is a mobile based, global telecommunications company - ASX listed July 2014

ZipTel currently offers **2 key products**, for **2 distinct segments**:

ZipTel Limited	
Consumer	Business Enterprise
Product 1: Zipt	Product 2: SpeedTalk

1. For **Consumers**, a free, downloadable, mobile-based application which can operate in 2G, 3G, 4G, Wi-Fi & low bandwidth data environments, across global markets

- **Zipt**

2. For **Business Enterprise**, Zipt White Label offers customised Zipt functionality to business

- **SpeedTalk** is the first deployment – a 50:50 revenue share with SpeedCast International Ltd

ZipTel has been successfully deploying its strategy to engage & rapidly grow its presence in its key target markets



“ ZipTel’s vision is to deliver cutting edge mobile telephony solutions to consumers & enterprise in low bandwidth environments where other products do not function, or do not function as effectively & efficiently. ”

Keaton Wallace
Executive Director

Delivering global mobile telephony solutions to consumers & business in low bandwidth environments

BOARD AND DIRECTORS

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BERT MONDELLO



CO-FOUNDER & CEO

Over 18 years experience in the telco industry, managing key retail distribution channels for Optus and Vodafone. As a Co-founder of AussieSim and Zipt, he managed the listing of ZipTel Limited. Involved in the development and creation of the Zipt technology which currently underpins the Zipt Application and infrastructure.

KEATON WALLACE



CO-FOUNDER & EXEC. DIRECTOR

Over 8 years experience in the telco industry. Co-founded AussieSim and has overseen the Business Development and launch of the Zipt mobile based application. Is a Non- executive director of Wangle Limited (WGL.ASX). Wangle Limited has developed the cutting edge Wangle platform, which uses algorithms to optimise data flow between devices.

JOSH HUNT



NON-EXECUTIVE DIRECTOR

A lawyer and Principal of project law firm Hunt & Humphry, with international experience with public and private companies acquisitions and disposals.

SALVATORE VALLELONGA



NON-EXECUTIVE DIRECTOR

A Chartered Accountant and a Director of Plexus Wealth Pty Ltd, a Director of numerous private companies and is also on a number of Boards and Committees of Non-Profit organisations.

SYSTEMS & DEVELOPMENT



Bernard O'Rourkes

CIO and Project Manager



Kresimir Groeflink

System Architect



Luka Klancir

Head of Development



Mihael Kovacic

Head of Design



Josip Sabolek

Network Engineer



Sinisa Brcina

Lead UI Developer

Zipt - What is it and What does it do?

- **Zipt** - a free to download, mobile calling (voice & video) & messaging application for Consumers
- **Quality** - **Zipt** delivers superior, crystal clear call quality in all network conditions, including 2G, 3G, 4G, Wi-Fi & low bandwidth data environments as low as 8kb/sec
- **Data Use** - **Zipt** uses up to **80%** less data than market incumbents Skype, WhatsApp & Viber
- **Zipt** has 3 components:
 1. **Zipt Free**
 2. **Zipt Out**
 3. **Zipt Discover**
- **Costs** - To date, more than **A\$5M** has been spent developing Zipt
- **Installs** - **10 million people** across the globe have downloaded Zipt
 - **2 million people installed it in the last month**
- **Increase in Installs** – driven by Global Ambassador Brand Ambassador Campaign and organic traffic



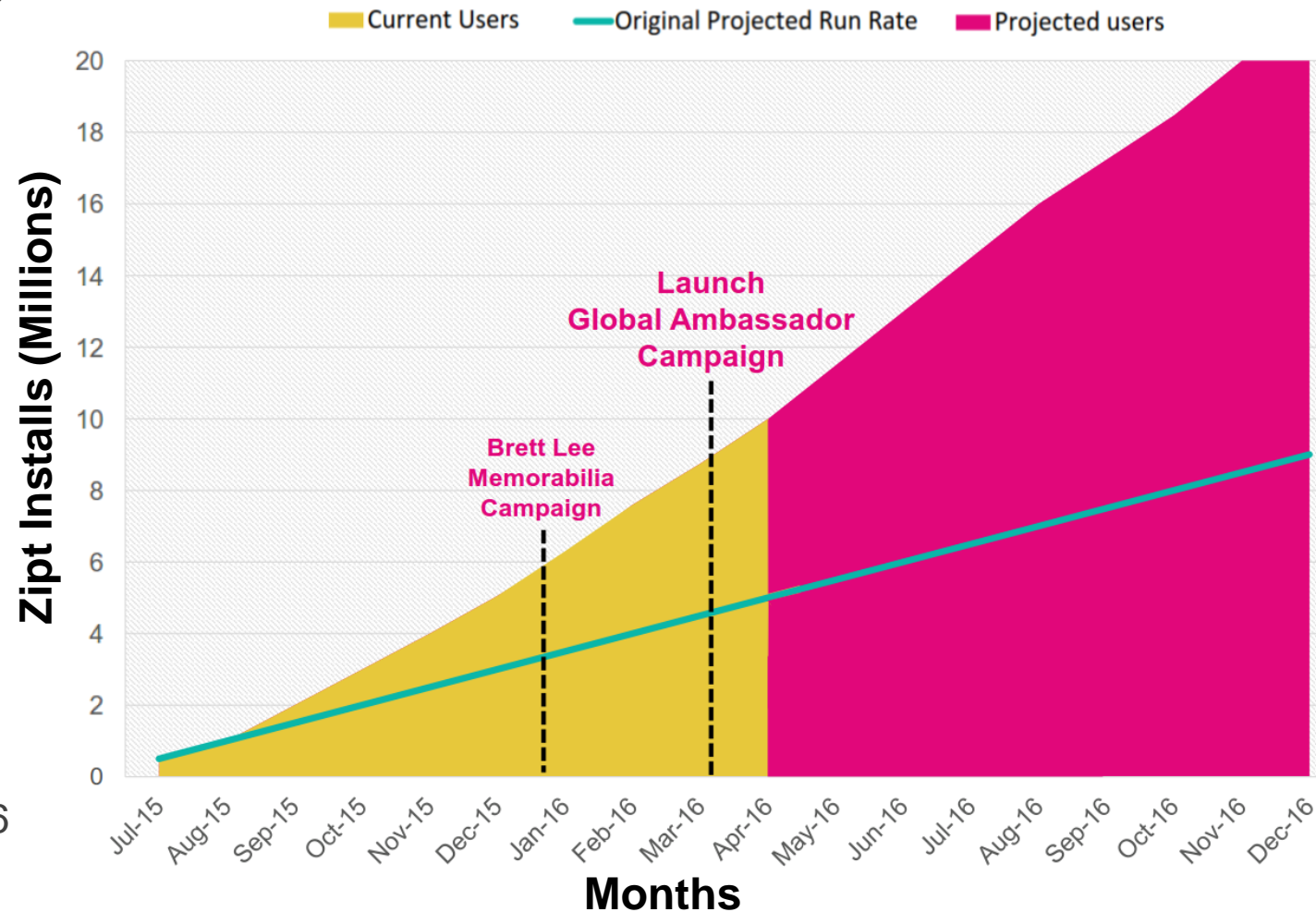
Gareth Bale
Wales & Real Madrid Footballer
40+ million social media followers
Zipt Ambassador & Shareholder

Zipt is a mobile communications application for the Consumer market
Zipt requires less bandwidth to operate and uses up to 80% less data than comparable products

Zipt - What is it and What does it do?

- **Zipt Free** allows customers to call, video or message other Zipt users for free
- **Zipt Out** allows customers to call or message any mobile or call any landline, at some of the world's lowest rates.
 - Rates start at 0.5c per minute
 - Since June 2015, Zipt Out has generated A\$600K revenue
- **Zipt Discover – The Ambassador Portal**
 - Engagement tool allowing customers to ask questions of the Zipt Brand Ambassadors and access exclusive content
 - Zipt has signed **9 sporting stars** including Gareth Bale and Virat Kohli as Zipt Brand Ambassadors
 - Launch of Ambassador Campaign - March 2016
 - Ambassador Portal is now revenue generative

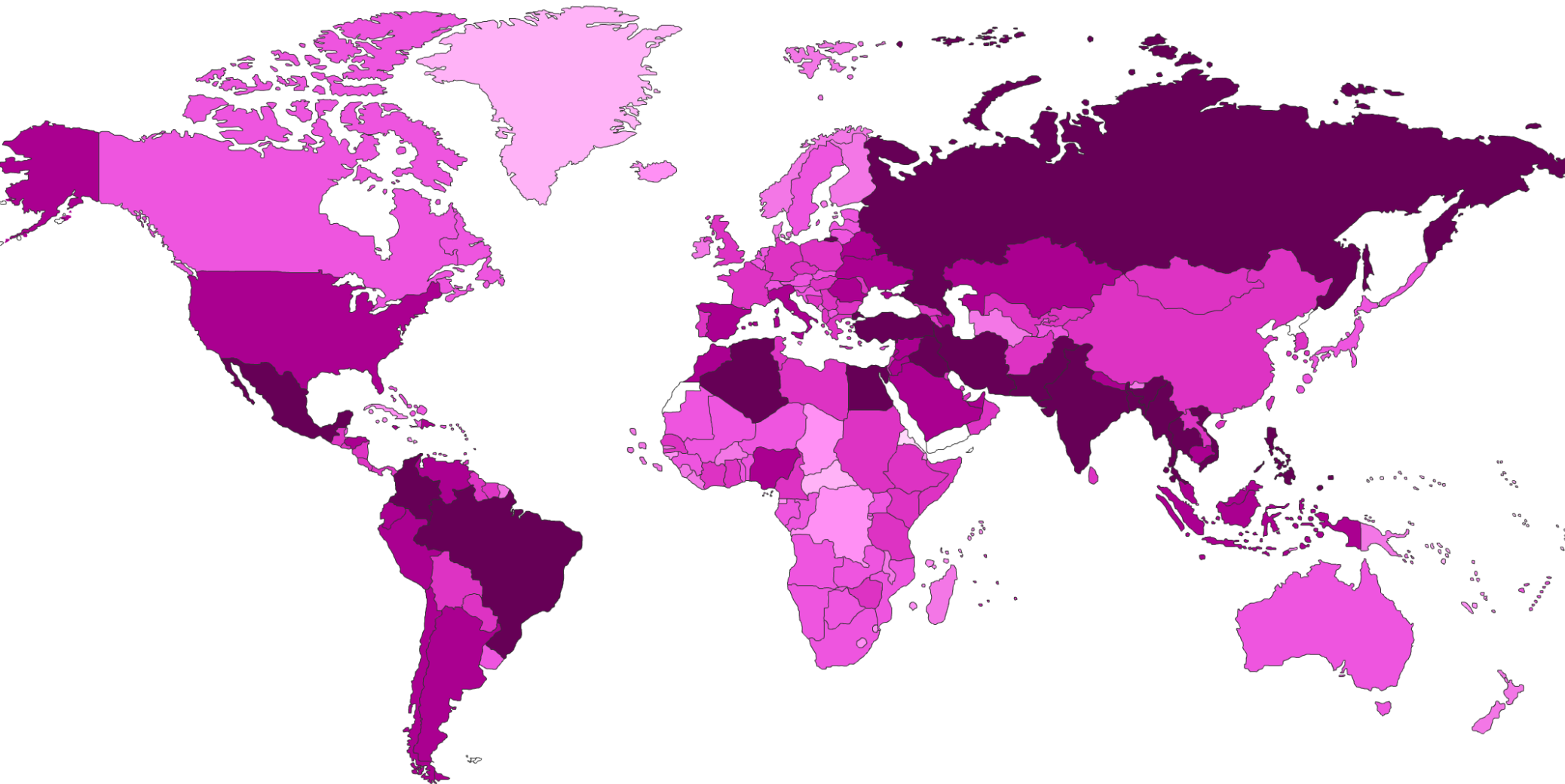
10 million Zipt installs achieved in ~9 months



Appetite for Zipt has been greater & the uptake has been significantly faster than anticipated – 10 million installs achieved in April 2016 – 2 million installs in the last month

Zipt - Key Markets

Heat Map showing Zipt use Globally



Strength in Key Markets

Darker areas are those with high Zipt usage

India and the rest of the Subcontinent are a clear strong zone

There are also pleasing usage spikes in the Middle East and parts of North Africa

Zipt - Competition

Why do customers use us?



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Company	FREE CALLS APP TO APP	CALL TO PHONES WITHOUT APP	FREE APP TO APP MESSAGING	SMS TO PHONES WITHOUT APP	DESKTOP APPLICATION VERSION	MINIMUM BANDWIDTH	HOURS OF CALLING PER GB OF DATA	SECURE CALL ENCRYPTION	VIDEO CALLS	CONFERENCING	PURCHASE LOCAL & INTERNATIONAL NUMBERS	COUNTRY SPECIFIC CALL BUNDLES	PUBLIC CHANNELS AND APPLICATIONS	STICKERS	SDK FOR DEVELOPERS	API ACCESS TO PLATFORM	CALL RATES FROM	ARPU	IN-APP AMBASSADOR PORTAL
Zipt	✓	✓	✓	✓	✓	6-8 kbps	370	✓	✓	✓	✓	✓	✓	✓	✓	✓	0.5 ¢		✓
Viber	✓	✓	✓	✗	✓	23 kbps	95	✓	✓	✗	✗	✗	✓	✓	✗	✗	1.8 ¢		✗
Skype	✓	✓	✓	✓	✓	58 kbps	38	✓	✓	✗	✓	✓	✗	✓	✗	✗	1.5 ¢	\$8	✗
Whatsapp	✓	✗	✓	✗	✗	48 kbps	46	✓	✗	✓	✗	✗	✗	✗	✗	✗	✗	\$5*	✗
LINE	✓	✓	✓	✗	✓	25 kbps	89	✓	✗	✗	✗	✗	✓	✓	✗	✗	1 ¢	\$8	✗
Rebtel	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✓	✓	0.9 ¢	\$24	✗
WeChat	✓	✗	✓	✗	✓	20 kbps	111	✗	✗	✗	✗	✗	✓	✓	✓	✓	✗	\$4	✗
Tango	✓	✓	✓	✗	✗	33 kbit	67	✗	✓	✓	✗	✗	✗	✓	✗	✗	1 ¢		✗

Zipt delivers high quality calls that use less data than our competitors. Our customers use less data & save money, in our core, low bandwidth & 2G prevalent markets e.g. the Subcontinent

Zipt - Revenue Streams

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ZIPT OUT

Low rate calling messaging and video

Users can call, message and video any mobile or landline anywhere, from anywhere with a low bandwidth connection, for low rates.

TOP UP FEES

STICKERS

EARN ZIPT CREDITS

DISCOVER PORTAL

In-App Advertising

Within the Discover Portal adverts are presented to users as they navigate, ask questions and engage with the Ambassadors

CPM \$

OFFERWALL

REWARD VIDEOS

ADVERTISING PARTNERSHIPS

Ambassador Partnership

Working with ironSource, Sport Digital and others we will leverage the Ambassador content for revenue generative advertising partnerships

ADVERTISING

CROSS SPORT CAMPAIGNS

CROSS BRAND CONTENT

Zipt has multiple revenue streams – Zipt Out (calling and messaging), In- App Advertising & Advertising Partnerships driven by the Zipt Discover In-App Ambassador Portal

Zipt Out - ZipTel Revenue Stream #1

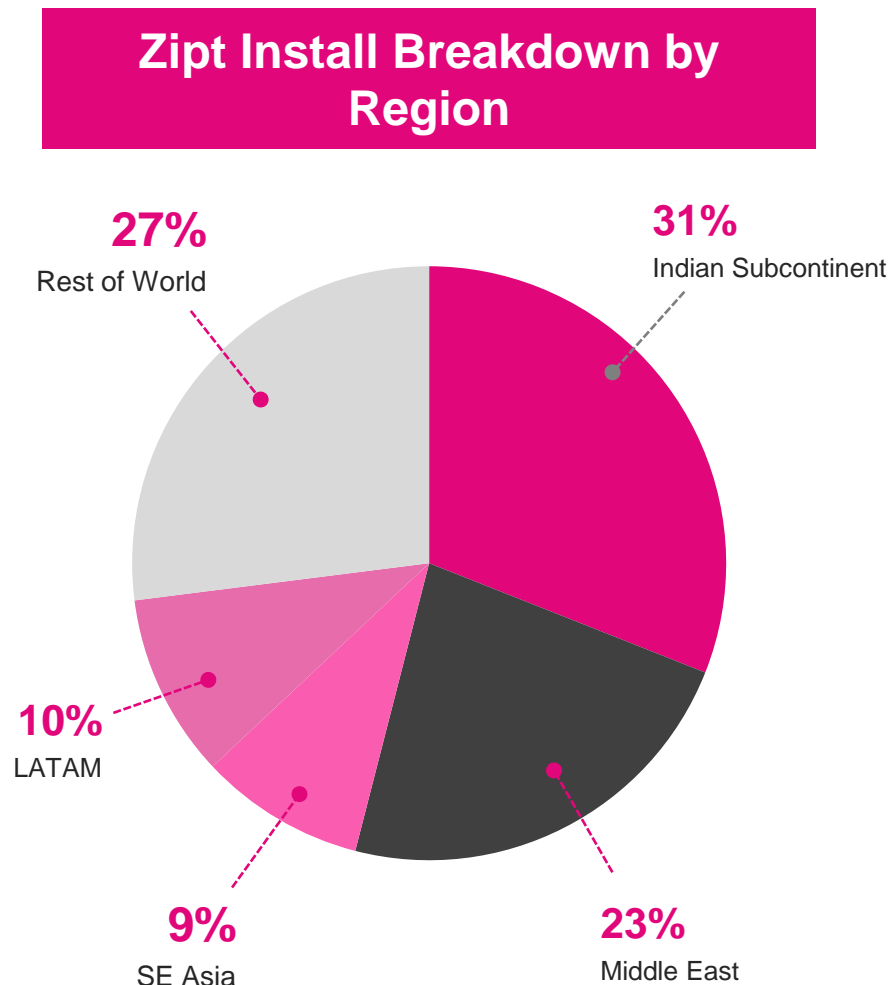
- **Zipt Free** - Customers install Zipt & can call, video and message any other Zipt user for free
- Marketing to date has focussed on the free calling and messaging element of Zipt to increase downloads & reduce Cost per install (CPI)
- Zipt Free is crucial to fostering organic virality in the install rate
- Zipt Customers can call any landline or mobile with **Zipt Out** for a low rate
- Zipt Customers can buy (Zipt Out 'Top up') credit in the app as per any online purchase with credit card / PayPal / App store credit
- Customers can purchase stickers in-app to add to their messaging experience
- In addition to Top Up revenue, non-paying customers can earn Zipt Out Credits by watching reward videos or using the Offerwall. In these instances the advertiser pays Zipt



Zipt Out generates very attractive margins

Zipt Out - ZipTel Revenue Stream #1

- 10 million installs globally
 - Uptake has been particularly strong in Tier 2 and 3 countries
 - In Tier 2 and 3, Zipt has the advantage in terms of 2G functionality and low data usage.
- Zipt is growing organically across all regions with significant traction in Tier 2 and 3 countries. These customers form an excellent base to grow Zipt further into Tier 1 countries.
- Using the data collected, marketing is targeted at high ARPU subsets of regions and countries.
- Marketing will also target the international calling card market - Global travellers and holiday makers; traditionally serviced by domestic Sim card providers such as Lebara and LycaMobile



Future Revenue growth will come from converting already installed user base into active users

In-App Advertising - ZipTel Revenue Stream #2

- Regular engagement from the users driving engagement with the Ambassadors drives advertising revenues
- The ironSource revenue model includes:
 - Offerwalls - a mini 'store' with special offers linking to Zipt Out credit
 - Interstitials - full screen ads for customers who access exclusive Ambassador content
 - Rewarded video - customers watch a sponsored video either branded or with a call to action to install another app
- Forecasts of the ironSource model indicate for every 100,000 customers who access Zipt, daily revenue would be estimated to be up to A\$600/day
- Gareth Bale alone receives ~60,000 questions per day on social media
 - Millions more read the responses to these questions
 - Zipt is positioning to be the channel for customers to ask these questions
 - Advertising revenue is generated from those customers who ask questions and view exclusive content



The Zipt Ambassadors offer a significant opportunity to generate revenue as likes/impressions/views are packaged in a form dictated by Zipt and sold to large corporates such as Sony and Adidas.

Advertising Campaigns & Partnerships - ZipTel Revenue Stream #3

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- Zipt, through the Ambassador agreements, have acquired a number of posts and curation of exclusive content through the response to questions
- Zipt will work with key brands and sponsors to deliver exclusive content initially through the Zipt app to its user base, before distributing across the ambassadors wider social platforms



Potential brands – Zipt Ambassadors



Zipt has built a substantial user base
Marketing directly to this user base will focus on conversion of non-paying subscribers to paying

SpeedTalk – What is the Opportunity?

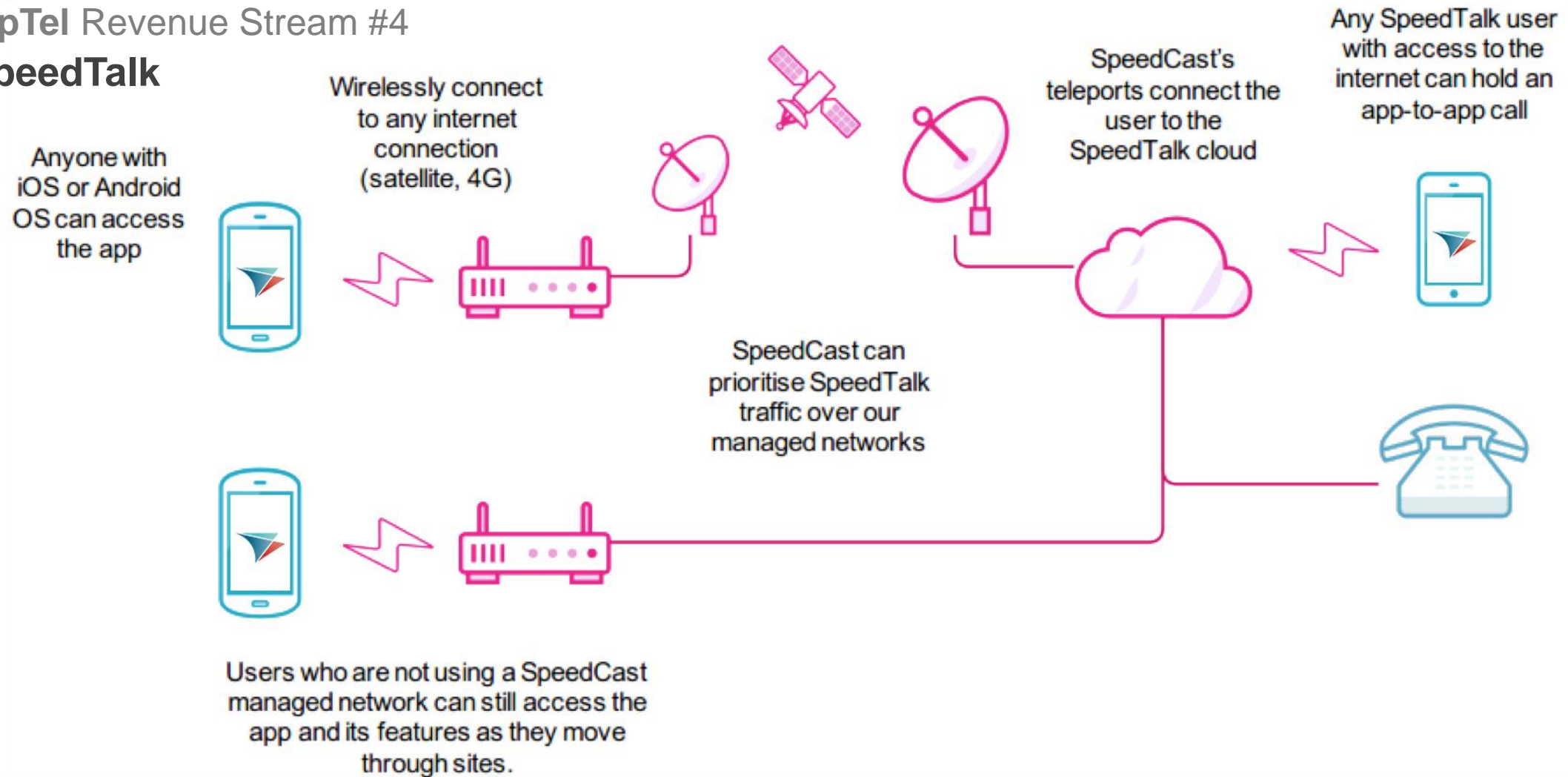
- SpeedCast International Limited (“SpeedCast”) are a leading Global Satellite Communications Network Service Provider:
 - They offer network services in over 90 countries & a maritime network serving customers worldwide
 - They have a worldwide network of 33 sales & support offices & 31 teleport operations
 - With over 5,000 links on land & at sea supporting mission critical applications, SpeedCast has distinguished itself with a strong operational expertise & are a highly efficient support organization
- **However, at work sites limited to satellite phones:**
 - **No privacy – phones are often in common areas and workers may need to queue up to use them**
 - **Limited Usage – workers often allocated a set number of minutes**
 - **Data costs can be prohibitive to employers**
 - **Can only make outgoing calls**
- **At some work sites, satellite phones are not a viable option and so no option is offered**
- **ZipTel Opportunity** - SpeedTalk will enhance communication offerings to work sites in these remote areas:
 - off shore oil rigs
 - isolated mine sites

Despite the challenges outlined above - one of SpeedCast's fastest growth segments is wholesale VOIP

SpeedTalk – What is it and What does it do?

ZipTel Revenue Stream #4

SpeedTalk



SpeedTalk is a customisable, modular platform based on Zipt. It is optimised to run with a minimal bandwidth connection. SpeedTalk will operate in such conditions where other VoIP products cannot.

SpeedTalk – ZipTel Revenue Stream #4

- On 3 Dec 2015, ZipTel signed an agreement with SpeedCast to white label Zipt technology as “**SpeedTalk**”
- **SpeedTalk** meets the brief as an easy to install cellular technology - SpeedCast customers will simply install the **SpeedTalk** app via the Google & Apple App stores
- **SpeedTalk** is optimised in operate in bandwidths of 8kbps using its dynamic codec technology
- **SpeedTalk** has been built on a customised modular Zipt based platform
- SpeedCast to use **SpeedTalk** to provide telephony services to its users worldwide. As a low cost mobile solution **SpeedTalk** enhances SpeedCast’s ability to attract more paying customers with clear flow on revenue benefits for Ziptel
- **ZipTel will receive:**
 - **50% of all revenue generated from the use of SpeedTalk**
 - **a one-off registration fee for each customer that installs SpeedTalk**
 - **a monthly recurring maintenance fee + upgrade costs depending on take-up of the app**

SpeedTalk will provide customers with clear quality, service & flexibility advantages over the existing service
ZipTel will receive 50% of all revenue generated from the use of SpeedTalk

Summary: Why ZipTel?

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1. **Unique** – ZipTel offers mass market communications solutions (consumer & business) with multiple revenue opportunities
2. **Competitive Advantage** – ZipTel targeted at **emerging markets** where it has a **competitive advantage** - it delivers **high quality calls, messaging and video**, at **lower bandwidths** & uses **less data**
3. **Globally Material Opportunity** - ZipTel **target markets** have **large populations** & **increasing smart phone penetration**
4. **Traction & Critical Mass** - ZipTel demonstrated market traction with **10 million downloads** in less than **40 weeks**
5. **Increasing install velocity** - **2 million ZipTel installs** in last 4 weeks
6. **Monetisation** - With Stage 1 user critical mass achieved, **monetisation has recently commenced**
7. **Ambassador Portal** - provides Ambassadors & Sponsors with a revolutionary mechanism to interact with & generate income from their social media followers
8. **Global Ambassadors** - **incentivised to Drive ZipTel Installs & Revenue Generation** – 110+ million social media followers
9. **Business Enterprise Solutions** - providing businesses operating in low bandwidth environments with an effective and economic communications solution
 - SpeedTalk is the first deployment

ZipTel has unique technology with global appeal to consumers, business, sports stars and advertisers
ZipTel is at a turning point – critical mass, faster growth, revenue generation –
it is gaining material traction and momentum



THANK YOU FOR YOUR ATTENTION!

If you would like more information on ZipTel, please contact:

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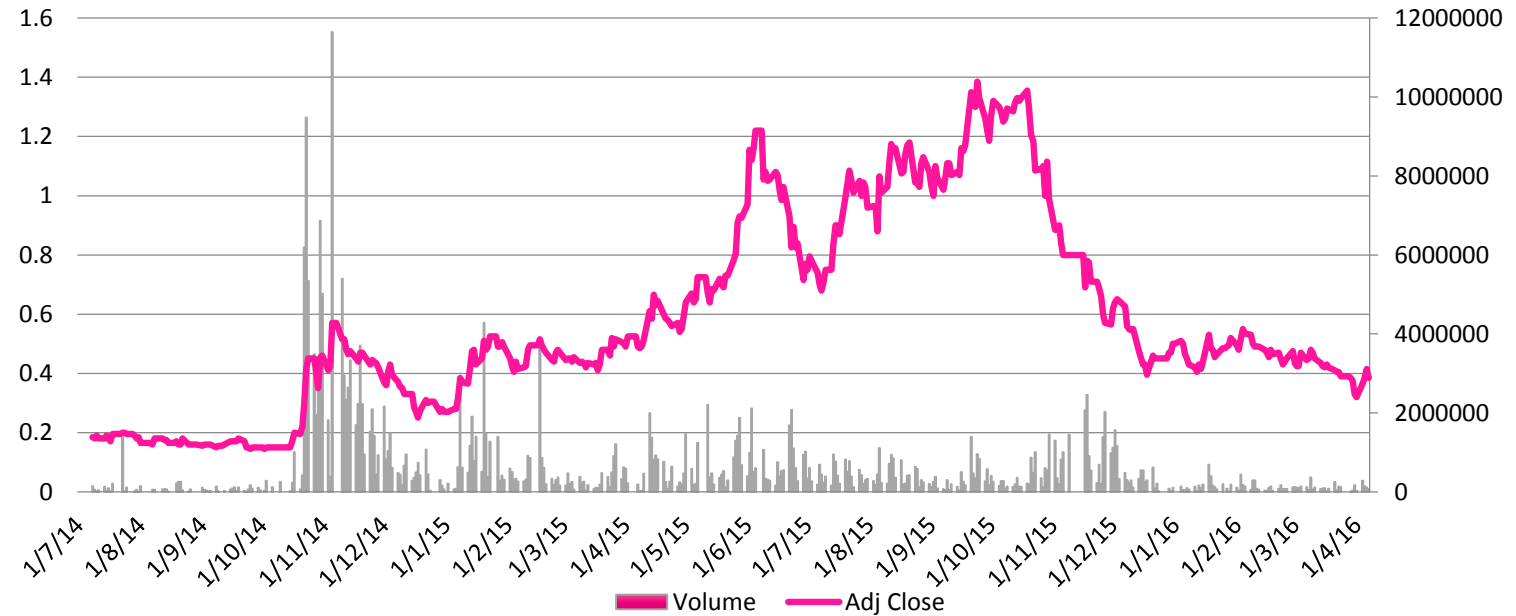
ZipTel Company Snapshot

Stable ownership structure with Global Brand Ambassadors willing to take equity in lieu of cash

Board and Key Shareholders	Shareholding at 7 April 2016
Executive Directors	21,758,500
Non-Executive Directors	1,135,695
K2 Asset Management ¹	11,250,947
Northshore Investments ¹	5,597,000
Global Brand Ambassadors	3,184,783

¹ Per last lodged Substantial Holder Notice

Share Price performance since listing



CAPITAL STRUCTURE

