20 January 2016

Zipt Mark 2: Newly Upgraded Zipt Platform Ready for Public Release

Highlights

- Zipt Mark 2 Platform staged rollout to commence on 21 January 2016 on both iOS and Android.
- At the core of Zipt Mark 2's improved user experience is a new proprietary voice and rich messaging codec that significantly improves call quality and stability while reducing latency.
- Zipt Mark 2's scalable cloud infrastructure can support a growing number of users while delivering ongoing cost savings to the Company, with beta testing demonstrating the capability to:
    o register 1 million new users a day; and
    o support calling and messaging to a level of 50 million monthly active users ("MAU's") – ready to scale for more.
- New referral campaigns and improvements to sharing mechanics for users set to increase organic and viral growth whilst reducing cost per install ("CPI") further.
- Enterprise modular platform completed for SpeedCast deployment in February and March 2016.
- Consumer based upgrades completed in time for the launch of the Global Brand Ambassador marketing campaign targeting 110 Million fans worldwide in February 2016 along with the launch of the world first Zipt In-app Ambassador Portal.

ZipTel Limited (ASX:ZIP) ("ZipTel" and the "Company") advises that it will commence the staged rollout of the upgraded operating platform ("Zipt Mark 2") for its Zipt mobile calling application on 21 January 2016. The staged rollout will strategically commence on both IOS and Android platforms in selected tier 2 and 3 countries. During the week of 15 February 2016, the Zipt Mark 2 application will officially launch and be made available to download in all regions including Australia, USA, UK, Europe and other tier 1 countries globally.

The improved platform will provide the technical features and operating scale required to support the launch of the "SpeedTalk" White Label application for SpeedCast and the Global Brand Ambassador campaign also to launch during the week of 15 February 2016, headed by Brett Lee, Gareth Bale and Virat Kohli to coincide with the Zipt Mark 2 global launch.

Zipt Mark 2: Excellent Beta Testing Results

In addition to core functionality, the Zipt Mark 2 beta testing focused on refining two processes identified for improvement following the launch of the application:

1. Zipt Onboarding: Registration process for new users

   Zipt Mark 2 has demonstrated capacity to handle 10,000 concurrent registrations with the ability to handle significantly more. At this rate, over 1 million users could be registered for Zipt in a single day without any issues.

2. Usage of Zipt: Calls and messages by active users

Simulated usage testing revealed that Zipt Mark 2 can support over 100,000 concurrently active users (i.e. users in calls or active messaging). Having this amount of users active concurrently, based on standard usage patterns (length of calls, frequency) demonstrates the ability to cater for over 50 million MAU's. In addition to this, the Platform is designed to scale and support greater volume when further user milestones are reached in the future

Scalable Modern Cloud Architecture

The completely re-engineered cloud architecture underpinning Zipt Mark 2 is designed to seamlessly integrate multiple regional nodes while increasing operating potential and adding greater redundancy. This new architecture has been designed to reduce usage bottlenecks while adding deeper insight into platform performance that will allow the Zipt operations team to dynamically address issues as they occur.

Server upgrades and improvements to the system architecture will also reduce server running costs by an estimated 40% (based on globally deployed cloud instances vs current dedicated server network).

Application Improvements

As part of the Company's ongoing initiative to continually improve Zipt, the application has been significantly refined. Work in this area has focused primarily on overall user experience, but also sought to address all valid concerns raised by users since the launch of Zipt.

Significant improvements have been made specifically to; network presence detection, codec quality (next generation webRTC) enabling dynamic calls (crystal clear on Wi-Fi and 4G, data saving and robust on 2G) and HD video calls. The messaging interface has been refreshed and now looks and feels slicker and quicker.

In an effort to drive user engagement and referrals, an updated rewards system has been implemented. The new Zipt Refer and Earn Program will have multiple rewards based on user's actions (invite friend, extra on first bundles and credits purchases). The Zipt Refer and Earn Program is built around user gamification and is expected to drive major viral and organic growth of the Zipt network.

Keaton Wallace, Executive Director, ZipTel Limited commented:

"With improvements to user experience and major upgrades to the backend platform, Zipt is ready to exceed the milestones we have set for 2016. But importantly, we want to achieve this while also greatly engaging and thrilling our customers with quality and great experiences to increase retention and allow us to commence our focus on monetisation of the user base."

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About ZipTel

ZipTel is an Australian owned and operated telecommunications business focused on providing international roaming and calling solutions to the consumer, using state of the art technologies developed and wholly owned by ZipTel Limited. ZipTel listed on the ASX in July 2014 with its core focus primarily on the distribution of two core communications products, both domestically and internationally.

About Zipt

Zipt is a mobile-based international communication App that enables consumers to send SMSs and make international calls for free between users. The App can also call any landline or mobile at some of the world's lowest call rates. Zipt delivers crystal clear sound quality in lower bandwidth data environments and allows consumers to retain their existing phone number, service provider and SIM card, with no lock-in contracts. Zipt does not require a SIM card and can be installed on any smartphone or tablet on compatible platforms. Zipt uses less data than similar products already available on the market, and can be used over Wi-Fi or any mobile network. For more information visit www.zipt.com.