

ASX AND MEDIA RELEASE

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Zipt Hits 2 Million Installs Demonstrating Clear Market Traction

Highlights

- Zipt App user growth continues to accelerate with 2 million installs now reached
- First 1 million installs achieved in 8 weeks with the following 1 million achieved in just 6 weeks
- Key statistics of Zipt App usage and traction:
 - Monthly Active Users (MAUs) for August reached 1.25 million for the month, a 62% increase on July
 - MAUs in September have reached 1.8 million to date, a 44% increase over August
 - Average Daily Active Users (DAU) in August of 89,000, a 53% increase on July
 - Average DAUs in September have reached 149,281 to date, a 68% increase on August average
 - App usage continues to show strong growth with over 5.8 million calls placed to date and over 800,000 SMS's sent
 - Total revenue generated to date of circa AUD\$380,000, well ahead of expectations
 - Continuous improvement month-on-month to MAU and DAU ratios indicating clear market traction
- Imminent launch of the Zipt iOS version and the commencement of full marketing and customer acquisition activities to commence on 25 September 2015 expected to continue to drive substantial user growth

ZipTel Limited ("ZipTel" or "the Company", ASX: ZIP) is pleased to announce Zipt has surpassed 2 million installs well ahead of expectations. The first 1 million installs were achieved within 8 weeks and the following 1 million installs were reached within just 6 weeks, demonstrating a clear acceleration of user growth.

Zipt is a mobile-based international communication application that allows consumers to send messages and make international calls for free, app-to-app, or at low cost to any land-line or mobile globally. It has the ability to work in all network conditions and in bandwidths as low as 2G and uses up to 80% less data than other leading apps in the market.

The App has demonstrated continued growth reaching 1.25 million Monthly Active Users (MAUs) in August. This was a 62% increase on the month of July and the trend has continued strongly into September having already reached 1.8 million, marking a 44% increase on August.

Average Daily Active Users (DAU) also increased to 89,003 in August, a significant 53% increase on July. So far in September the DAU average totals 149,281, showing 68% increase on August.

The highly promising statistics are coupled with the 5.8 million plus calls placed and over 800,000 messages sent to date, which are further evidence that Zipt is establishing itself as a communication solution for users globally.

The Company's primary focus is to continue to drive installs and user growth of Zipt, but is continually buoyed by the early stage and unexpected revenue generation which has now reached circa AUD\$380,000. This early revenue generation demonstrates that users are utilising the App on an ongoing basis by continuing to top up credit.

On 15 August Zipt launched its video calling ability, which has shown superior data usage and video quality compared to existing VOIP providers in the market. The video calling feature is already showing high demand from users with 56,472 video calls placed since launch.

The imminent launch of Zipt on iOS (25 September 2015) and the recently launched video calling feature are expected to drive further user downloads. This will coincide with the commencement of the full-scale marketing and customer acquisition effort to further drive installs as the Company targets rapid user growth.

The Company intends to move statistical reporting to a quarterly basis so appropriate comparisons can be made. The Company will continue to update the market on material increases to installations as they occur.

Bert Mondello, CEO, ZipTel commented:

"I am pleased with the continued performance of the Zipt App so early on and reaching 2 million users in such a short space of time puts us well on track to reach 10 million within 18 months.

"Both user growth rates and revenues remain ahead of expectations. The recent launch of the in App video calling feature is expected to be a real driver of further growth along with the imminent launch of the iOS version. I look forward to providing further updates and continual growth of the App's user based worldwide."

-Ends-

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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 three 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.