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ZipTel: Monetisation and Commercialisation Update Revenue strategy for the World First Zipt In-App Ambassador Portal

- **World First Zipt In-app Global Brand Ambassador Portal** provides multiple avenues to monetise customers engaged by the Ambassadors
- In-App **Ambassador Portal monetising initiatives** include:
 - Static (Interstitial) and Video Advertising;
 - 'Offerwalls'; and
 - 'In-Feed Advertising'
- **First revenues** are currently being banked from these Zipt Ambassador Portal initiatives with a further update to follow
- The Zipt Ambassador Portal represents the third key source for Zipt revenues after the 'Zipt Out' low rate calling solution and the 'SpeedTalk' white label enterprise solution
- Core functions of Zipt i.e. calling, messaging and video - remain advertising free

ZipTel Limited ("**ZipTel**" or "the **Company**", ASX: ZIP) is pleased to provide details on the monetisation opportunities created via the Zipt In-App Ambassador Portal.

Interstitial Advertisements ("Interstitials")

Interstitials are full screen advertisements which are displayed at transition points in the flow of a mobile application, ensuring minimum disruption to user experience while achieving monetisation goals.



Within Zipt, interstitials are currently being served to customers who access the Ambassador Portal and wish to access exclusive Ambassador content or choose to ask a question to an Ambassador via **Zipt Q+A**. As the Ambassador Portal is broken down into Ambassador profiles, Zipt has the opportunity to serve 'premium inventory' which are highly targeted ads from premium advertisers i.e. when a customer chooses to ask a question of a particular Ambassador such as Gareth Bale, they can be served with an ad from the Ambassadors' sponsored brands, in the case of Gareth Bale – Adidas or Sony.

Interstitials are the mobile app industry's most popular and highest revenue generative inventory format. Zipt also incorporates video interstitials which increases eCPMs ("effective cost per thousand impressions" – a ratio of earnings to 1,000 of impressions). The average eCPM of an interstitial is circa USD\$4-6 which creates a lucrative revenue generating opportunity for both the Ambassadors and ZipTel.

Video Mediation

As video interstitials have the highest revenue generative potential, different placements within the Zipt Ambassador Portal and multiple rewards will be used. Ongoing reviews of each placement's performance and analysis of user behaviour will be conducted to optimise returns while maintaining customer experience.



As outlined above, customers may watch a video to unlock exclusive content and have access to their desired Ambassador. In addition, watching a video through the Zipt Ambassador Portal may be used to provide exclusive benefits and Zipt Out credit.

Offerwall

Offerwalls will allow the Company to increase revenue, engagement and retention by rewarding customers for taking specific actions. Customers enter a mini 'store' with special offers linking to in-app rewards.



The Offerwall ad unit is linked directly to Zipt Out credit. This functions as an alternative payment system allowing non-paying customers to engage with the Offerwall and extend the time that they are using Zipt.

The Offerwall forms part of Zipt's Invite and Earn section which incentivises users to share the Zipt app and earn Zipt Out credits without having to pay for them. The significance of this is twofold - firstly Zipt is made even more accessible to its target audience in emerging markets where the ability to buy Zipt Out credit may be limited; and secondly these customers are monetised, materially increasing Zipt's top up revenues. Instead of Zipt charging a customer for a Zipt Out credit top up, Zipt is paid by advertisers who top up customer accounts when they access the Offerwall.

Native 'In-Feed' Advertisements

Within the Ambassador Portal is the Zipt Ambassador News Feed which is a combination of their Facebook, Instagram and Twitter feeds all in one. In addition to this, the Ambassadors post exclusive content which appears in the news feed as 'Zipt Exclusive Content'. Premium ads placed in the News Feed are served as customers scroll through the Ambassador updates and news items.



Global Brand Ambassador Campaign

The Company will provide initial statistics regarding lead conversions and ZipTel installs shortly. The Zipt In-App Ambassador Portal has shown major signs of engagement with questions being lodged for the Ambassadors and initial answers being posted. The Company expects this will result in higher engagement, higher ARPUs, increased session times and improved retentions rates.

Keaton Wallace, Executive Director, Ziptel Limited commented:

"The Ambassador Portal is a new feature of Zipt which provides a clear monetising competitive advantage over comparable products. Soon we will be driving significant traffic to Zipt and the Ambassador Portal with Ambassador memorabilia and other competitions. To date, with the initial Ambassador posts, we have flagged the Ambassadors' involvement – in the next step we will use calls to action to engage their fan base and elevate activity."

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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 the Zipt mobile based communications application.

A video outlining Zip 2.0 is available at the following link: <http://zipt.com/z2preview>.

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.