11 October 2016

R&D Tax Incentive Banked

As advised in the ZipTel Limited ("**ZipTel**" or "the **Company**", ASX: ZIP) 2016 Annual Report dated 22 August 2016, the Company submitted applications to claim $2.6M under the Australian Government's Research and Development Tax Incentive Program (the "R&D Program"). The Company confirms that it has received the first tranche of $1,365,027 claimed under the R&D Program, in relation to domestic research and development activities conducted during FY2016. With this, ZipTel has a cash balance of ~$1.8 million.

The Company anticipates that it will receive the second tranche of a further ~$1.3 million in relation to FY2016 international research and development activities, within the current quarter. An announcement will be made upon receipt of these funds.

-Ends-

For more information please contact:

ZipTel Limited

Bert Mondello	Keaton Wallace
CEO	Executive Director
T: +61 8 6252 4224	T: +61 8 6252 4224
W: www.ziptel.com.au	W: www.ziptel.com.au

Investor Relations

Andrew Angus
Overland Advisers
M: +61 402 823 757
E: andrewangus@overlandadvisers.com.au

About ZipTel

ZipTel is an Australian owned and operated telecommunications business focused on providing international roaming and calling solutions to consumers and businesses, 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 the Zipt 2.0 application is available at the following link: http://zipt.io/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.io.