

28 June 2018

ASX ANNOUNCEMENT

Mobecom enters the next phase of its agreement with Vodacom

- Mobecom has completed the first phase of its project with South African listed telco, Vodacom Group Limited, having already launched Vodacom's customer loyalty app, delivering positive cash flow to Mobecom since March 2018
- Mobecom signs an agreement for phase two of the project, the multiphase agreements are set to expand Mobecom's recurring contracted revenue by at least 26% in year one
- Terms for phase three of the project are expected to be formalised soon, delivering additional potential for growth in revenue

Mobecom Limited (ASX: MBM) (Mobecom or the Company) is pleased to announce it has signed an agreement for phase two of a multiphase project with African mobile communications company, Vodacom Group Limited.

On 22 December 2017, Mobecom announced that it had entered into a major, multiphase contract with Vodacom Group Limited. Mobecom has already completed the first phase under this arrangement, with a white-labelled app for Vodacom's loyalty program 'SwitchedONBenefits' having launched on 28 February 2018. Associated recurring revenues to Mobecom commenced in March 2018.

Mobecom has executed an agreement with Vodacom which represents the formalisation of the next phase in the project between Vodacom and Mobecom. Under the agreed terms, Mobecom will provide:

- operational management, support and customer care services to Vodacom, to facilitate the optimal functioning of the SwitchedONBenefits product and service (which was launched as part of phase one); and
- merchant management, marketing support, affiliate sourcing and management services, to assist Vodacom with the on-selling of the SwitchedONBenefits product and services.

The term of the agreement is for 3 years. The agreement is terminable for breach at any time or for convenience after the initial 12 months (subject to appropriate notice). Mobecom will earn a monthly fee for the provision of the services. In addition to this fee, Mobecom may also be entitled to a percentage of any advertising and/or subscription revenues earned by Vodacom from the SwitchedONBenefits app. Collectively, the next two phases will further extend Mobecom's annual recurring revenues with the potential for additional transaction and subscriber-based revenue.

Mobecom Chief Executive Officer, Neil Joseph, states:

"We're pleased to have successfully completed phase one of our multiphase project with Vodacom, with the launch of SwitchedONBenefits leading to the commencement of revenues in March 2018. We have now signed a further agreement with Vodacom for phase two of this project, providing strong commercial validation of our offering and formalising the extension of our contract. Phase three agreements should follow soon."

Ends.

For further information, contact:

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About Mobecom Limited

Mobecom Limited (ASX:MBM) is a full-stack customer engagement technology provider that delivers end-to-end technology solutions for businesses to engage with their customers. Its primary offering, airBux, is a digital currency platform that provides 'liquidity for loyalty' and is the Company's direct to consumer mobile application offering, with a cloud-based currency at its core. With mobile payment, ordering, booking and local offer capability; the airBux cryptocurrency will be the gateway to a new digital lifestyle rewards program.

The Company's existing B2B offering provides its blue-chip customers based in Australia, Singapore, South Africa, the UK and Europe with technology solutions, built on its airBux proprietary technology, to deliver a complete end-to-end set of customer engagement technology requirements, including both back-end (databases) and front-end technology (design, mobile applications and websites).

For more information, please visit www.mobecom.co

About Vodacom Group Limited

Vodacom is a leading African communications company providing a wide range of communication services, including mobile voice, messaging, data, financial and converged services to 71 million customers. From our roots in South Africa, we have grown our mobile network business to include operations in Tanzania, the DRC, Mozambique, Lesotho and Kenya. Our mobile networks cover a total population of over 260 million people. Through Vodacom Business Africa (VBA), we offer business managed services to enterprises in 32 countries. Vodacom is majority owned by Vodafone (64.2% holding), one of the world's largest communications companies by revenue.

For more information, please visit <http://www.vodacom.com/>