



ASX Announcement

PERTH - 18 DECEMBER 2017

FAMILY ZONE CONTINUES RAPID GROWTH IN AUSTRALIA, NZ AND USA

Family Zone Cyber Safety Ltd (ASX: FZO, Family Zone or the Company) is pleased to update the market on significant performance milestones that the Company has achieved in 2017 to date.

120 PARTNER SCHOOLS AND GROWING

The Company is pleased to advise that as at the end of 2017 Family Zone has signed up more than 120 **Partner Schools**, with 10 of these being from New Zealand.

What is a Family Zone Partner School?

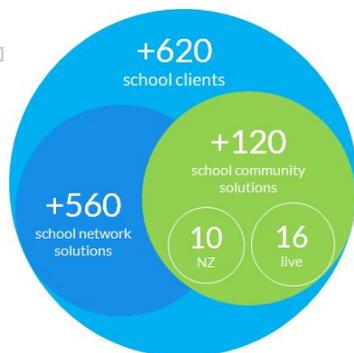
Partner Schools is a term Family Zone uses to describe schools that are partnering with Family Zone in mandating, requiring or promoting Family Zone's cyber safety products to the school community.

Family Zone's Partner Schools programme represents significant innovation in educational technology and cyber safety. Under this commercial model, schools gain subsidised access to speciality cyber safety and security services, plus the ability to offer a common cyber safety platform to the entire school community.

To access the suite of Family Zone services schools typically commit to delivering between 200 and 500 Family Zone accounts, underwriting growth in Family Zone's recurring revenue. Although partnering models take several forms, they primarily involve schools adding charges to school fees and absorbing parental control costs for certain parent groups.

Family Zone has achieved rapid growth through its Partner School model in Australia since launch in April 2017. Building on this success, the Company has achieved immediate traction since expanding the model to New Zealand with launch in December 2017.

The chart below shows the consistent pace at which Family Zone continues to gain scale with its Partner School model.



Partner Schools 2017



EDU Achievements 2017

- Introduced Partner Model
- Strong sales momentum
- +\$4m in contracted revenue
- Innovative tech solutions
- Strong brand awareness
- Rapid traction in New Zealand
- Significant parent take-up

In its first year since entering the education market, Family Zone has gained a clear leadership position in the industry for cyber services in Australia and New Zealand.

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FAMILY ZONE ACCOUNTS GROWTH

Family Zone is pleased to advise that it has achieved a significant performance milestone with more than 30,000 registered subscriber accounts globally and 5,000 registered international accounts, highlighting the success in its global expansion .

Most pleasingly, the majority of these international accounts have been signed up in the past month as a direct result of the Company's Asian telco partners' marketing efforts.

Family Zone has reached this key milestone at a fast pace, driven in large part by the momentum built with Family Zone's education solutions.

FAMILY ZONE LAUNCHES SCHOOL ZONE IN WEST VIRGINIA

Family Zone has previously announced gains in the USA state of West Virginia where more than 130 schools are using the Company's school filtering platform (Sonar). In the past few months, the Company has upgraded all of these installations to its innovative School Zone platform.

With this platform rolled out specifically to support schools with 'at risk' students, Family Zone is pleased to advise that early adoption and feedback from the first USA triallers of School Zone has been exceptional.

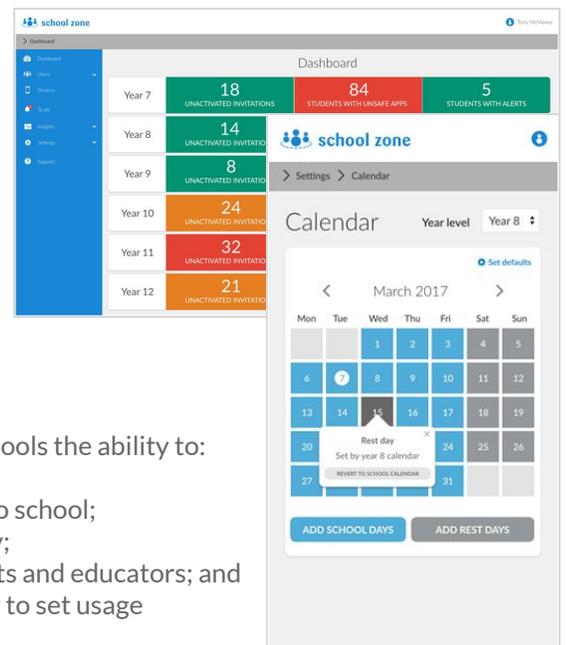
What is School Zone?

School Zone is a cyber security and student welfare platform. School Zone keeps students safe and secure when they're using the school's network and Internet services and provides the tools they need to become good digital citizens. Features include:

- Filters to keep safe when on the school network;
- The ability for schools to run digital citizenship programmes;
- Wellbeing and pastoral care services;
- Tools for teacher empowerment;
- Firewall technology for safe networking.

School Zone is integrated into the Family Zone ecosystem providing schools the ability to:

- Extend their duty of care to personal student devices brought to school;
- Obtain visibility into risks within the broader school community;
- Leverage recommendations, advice and support of cyber experts and educators; and
- Engage with students and parents within the school community to set usage expectations and measure and alert them.



Family Zone's rapid growth in subscriber numbers provides a strong endorsement and support for the Company's marketing and commercialisation strategy, as well as the commitment of staff to achieving commercial targets.

The Company expects Family Zone's user and revenue growth trajectory to increase throughout 2018.

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Family Zone is an ASX listed technology company focused on cyber safety. Meeting a growing demand to keep kids safe online and manage digital lifestyles, Family Zone has developed a unique and innovative cloud-based solution which combines Australian innovation with leading global technology.

To learn more about the Family Zone platform and the Company please visit www.familyzone.com.

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