



ASX Announcement

PERTH - 14 DECEMBER 2016

EXPEDITED USA LAUNCH

- Sonar/MyNet acquisition delivers 47 school installations in Western Virginia and access to associated families
- Family Zone services setup in USA and offerings now available to USA customers
- VP Americas engaged
- Family Zone founder Paul Robinson moving to Virginia, Feb 2017
- Partner discussions and trials underway with a number of USA Telco's, ISPs and System Integrators
- Reseller arrangements with IgniteNet set to launch in March 2017

Family Zone Cyber Safety Limited (ASX: FZO) ("Family Zone" or the "Company") is pleased to provide an update on its progress towards a full launch into the USA in 2017.

The Company is progressing quickly with key appointments made and developing partnerships.

Market Overview

The Company has identified the United States as a strategic region.

The United States is a relatively affluent developed and conservative market with high penetration of mobile devices and technology generally.

- Population: 340m
- Mobile penetration: 81%
- Mobile penetration: 74% school kids
- Schools: 100,000
- Population identifying a religious: 73%
- GDP per capita ranking: 6th

EXPEDITED US LAUNCH

The acquisition of Sonar/MyNet from Tesseract provides the Company with a footprint of 47 schools using Family Zone technology in the USA. These schools, the associated parents and the local Tesseract reseller provide a focal point for Family Zone's soft launch into the US market.

The Company has accelerated plans and is pleased to provide the following update on recent progress:

- The Family Zone consumer service is now available to USA customers
- All Family Zone services are now horizontally deployed across Australian and USA infrastructure
- The Family Zone Box (WiFi access point and power supply) has been certified and localized for the US market
- Influential local Cyber Experts are being identified and contacted
- Marketing activities are being designed around successes in Australia

VP appointment and Family Zone founder moving to USA

Experienced Virginia based telco sales executive Joanne Luger has been appointed as VP Americas. Joanne has in excess of 20 years experience in executive sales in IT & Telco including recent roles as T-Mobile, Time Warner, Sybase 365 and Sprint.



Joanne is to be supported by one of the four Family Zone founders Paul Robinson who is transferring to Virginia in early 2017.

Paul Robinson is a specialist in application development, pre-sales and IT operations and will be pivotal in Family Zone's partnering strategy for the North American markets.

Paul and Joanne join the Company's chairman John Sims whom is also based in the USA. John has a long and distinguished Telco career, most recently as President Global Sales Blackberry and prior to that Global Head of Telecom & President SAP Mobile Services.

John will play a pivotal role in mentoring Joanne, providing strategic input into our go to market plan and facilitating executive level introductions in target Telco's throughout North America.

USA Telco Partnerships

Family Zone has launched a direct to consumer offering, however, the scale of the market requires a focused partnering strategy.

Family Zone's strategy to cultivate telco partnerships first in Southeast Asia was designed to prepare the Company for its North American push.

Family Zone can now demonstrate a turnkey solution for tier 1 telcos and is rapidly building out functions to support internet service and access providers more generally.

The Company is in discussions and trials with a number of Telcos, ISP's and System Integrators across the USA. The Company is hopeful these discussions will result in important partnerships in the new year.

IgniteNet

IgniteNet is based in southern California and is a subsidiary of one of the largest access point manufacturers in the world (Accton).



IgniteNet is a specialist provider of cloud-managed access points. The ultimate end-user of its products are businesses, hotels, restaurants and other property owners. These users obtain the product through hardware distributors, resellers and internet solution providers. IgniteNet has in excess of 2,000 resellers globally.

In February 2016 the Company and IgniteNet entered into the Ignite Agency Agreement. The objective of this agreement is to enable the end-users of IgniteNet's products to enable the Family Zone Home Network Controller Service filtering service as a feature available on their premises.

The Company and IgniteNet have now harmonised platforms with IgniteNet drivers now running Family Zone's access point firmware.

The companies are now targeting a commercial launch in March 2017.

Tim Levy, Managing Director Family Zone said, *"We've been painstakingly researching and developing our USA business plans and our work demonstrates the readiness of the market for our platform and partnering models. With the acquisition of Sonar & MyNet we can now fast forward these plans."*



About Family Zone

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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