

ASX Announcement

PERTH - 15 DECEMBER 2016

FAMILY ZONE RECEIVES AN ORDER FOR 9,500 ACCESS POINTS

- Family Zone launches its business solution, Work Zone
- Work Zone is a 'skinning' of the Company's "managed internet" technology
- Demand from telcos has accelerated Family Zone's entry into this market
- Work Zone to be sold through telco partners - for scale and time to market
- Work Zone generates revenue from hardware sales and recurring license fees
- Initial order received for 9,500 access points from Philippines tier 1 operator PLDT
- PLDT to offer Work Zone to its 75,000 SME and 190,000 micro business customers
- PLDT agreement includes server deployments for larger enterprise customers
- Family Zone and PLDT expect to launch Work Zone in Philippines in Q2 2017

Family Zone Cyber Safety Limited (ASX: FZO) ("Family Zone" or the "Company") is pleased to announce the launch of Work Zone, a cyber security and workforce automation offering to address the security, productivity and cultural challenges faced by enterprises in managing the digital access of their employees.

Family Zone has also received its first order of 9,500 Family Zone access points from tier 1 carrier PLDT. These will be resold by PLDT into its business market segments from Q2 next year.

Background

Family Zone developed the innovative Family Zone platform and associated technology to enable user groups to choose a "managed internet experience".

The application of this platform to consumers has been the Company's focus to date however the extension of its features to school and business segments is natural and straightforward.

Since launching in July 2016 Family Zone's global sales team have been actively engaged with telecommunications providers with respect to wholesale offerings of the Family Zone platform.

Feedback has been positive in the consumer space with numerous discussions underway.

With respect to business segments, recent discussions with telecommunications providers has revealed a significant market opportunity with Small and Medium sized

Enterprises (SMEs). Business segments are seeking affordable and easy to manage cyber security platforms along with the ability to monitor staff and keep them productive and focussed.

The Launch of Work Zone

As a response to the market opportunity, Family Zone has launched Work Zone, it's cyber security and workforce optimization offering.

Leveraging the Family Zone platform, Work Zone provides business owners affordable options for:

- Firewalling local networks from high risk traffic and accessing malevolent websites (e.g. Infected Hosts, Malformed URLs, Phishing and Viruses)
- Blocking staff from accessing inappropriate content in the office or on work provided mobile devices
- Regulating access to distracting content during work hours (e.g. block all Social Media except during lunch breaks)
- Restricting access to workforce collaboration services (e.g. email) after hours
- Alerting IT/Management to Apps downloaded on work provided mobile devices

Work Zone is designed as a wholesale offering, delivered through telecommunication operators and solution providers and within Family Zone's partnering model.

This go-to-market approach has been chosen to access established distribution networks and build relationships with operators through our unique offerings which service their key high-yielding SME segment.

Reselling through carriers affords Family Zone scale, leverages existing carrier SME sales teams and minimises operational impacts on the Company.

Key Benefits to Family Zone's Telecom Partners

- Access to a co-branded, low cost, cyber security platform
- Includes innovative access control features to solve office productivity challenges
- High margin new revenue streams and sticky services for high-value customers
- Value added market positioning beyond voice and data.

Tim Levy, Managing Director Family Zone said *"The partnership with a major Southeast Asian telecom operator allows us to apply our technology to the business sector and drive our international sales"*.

"We are expanding our footprint from the home and mobile devices to two crucial, high growth sectors - education and businesses - as well as the high growth Southeast Asian market", he added.



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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