

ASX Announcement

March Quarter Review

- Income of \$336,508 during the quarter
- On track to report transformational revenue growth from anticipated acceleration of Commercial Link and Flex subscriptions, and miRoamer licensing fees
- Commercial contract signed with Oracle Corporation, providing a new data analytics revenue stream and increased cost savings for the Company
- Projected to reach breakeven by end of 2016
- High activity quarter, with a number of substantial corporate developments

29 April 2016, Melbourne: **Connexion Media Limited** (ASX:CXZ) ('Connexion') has today released its Appendix 4C Report for the three-month period to 31 March 2016 and is pleased to provide a review of its progress for the quarter.

Financial

Income growth

Income reached \$336,508 during the quarter (compared to \$60 in Q3 FY2015). Total year to date income reached \$1,180,522 (compared to \$60 year to date in Q3 FY2015).

Funding and Placement update

During the quarter the Company raised \$900,000 before costs via a private placement of 5,000,000 ordinary shares with new institutional and sophisticated investors. Funds raised were used to facilitate key operational initiatives, including minor development work and operational readiness ahead of GM's launch of Commercial Link.

Subsequent to the quarter, the company raised a further \$1,668,100 before costs via a private placement, at 18 cents per share. The placement funds were raised from a select group of sophisticated and high net-worth individuals with a long term commitment to the stock and a strong understanding of the market opportunity ahead for Connexion Media.

The Company received strong support from new and existing shareholders, including new shareholder John Dimitropoulos, Connexion's recently appointed Non-Executive Director, who participated in the Placement.

The funds raised will be used to support the Company's current growth initiatives, including servicing the anticipated uplift in the Commercial Link customer demand.

The Company anticipates to reach breakeven by the end of 2016, through increased paying subscribers for the Flex and Commercial Link products, increased miRoamer licensing fees, and fee for service development and customisation activities.

Strong Operational Progress

Landmark product launch – GM Commercial Link

During the quarter the Company was pleased to support GM's exhibition of its new Commercial Link service at the Consumer Electronics Show in Las Vegas at the start of January 2016. Commercial Link is GM's web and app based vehicle management software application for small business.

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Immediately subsequent to the end of the quarter, the Company announced that GM had launched its Commercial Link service to new vehicle customers across the US via its large dealership network.

Commercial Link is now available on most 2015 model year vehicles including Chevrolet, Buick, GMC and Cadillac. Customers that sign up will receive instant access to vehicle information through a website for US\$10 per vehicle per month.

The Company continues to work closely with GM, which plans to launch a Commercial Link mobile app for both Android and Apple devices in mid-2016.

miRoamer iOS App Launched on Apple Store

The Company announced to the market that its iOS App for its miRoamer internet radio product had been launched on Apple's App Store. Available as a free download, the iOS version complements the Android version which is available on Google Play. miRoamer allows users to access over 35,000 radio stations from broad geographies, including international stations.

Content access deal with Rhapsody

The Company signed a content access deal with major music streaming service Rhapsody International Inc, to integrate Rhapsody's content into Connexion's miRoamer's internet radio platform. The integration of Rhapsody into miRoamer enhances the user experience and allows consumers to enjoy high quality, advertisement free music in their vehicles. Rhapsody provides miRoamer users with more content, giving them access to more than 32 million songs as well as a wide range of services, including videos, playlists, reviews and radio stations.

Oracle partnership enables cost savings and new data analytics products

Connexion signed a commercial contract with software giant, Oracle Corporation during the quarter. Under the partnership, Oracle will build and deploy a new module on Oracle's CRM Platform to analyse real-time data collected through the Company's miRoamer and Flex services, creating new data analytics products and revenue streams for Connexion. The module is expected to become available as subscription service by the end of 2016.

As part of the partnership, Oracle's 15,000-strong sales force will assist Connexion to sell its leading connected car product subscriptions, as well as its new telemetry data analytics products when available, across Oracle's large global customer base, which includes all Fortune 500 companies and all major automakers.

Additionally, the partnership is expected to deliver cost savings for the Company in excess of 70% per vehicle through the transfer of Flex and miRoamer infrastructure and data collection services across to the Oracle Cloud platform.

Corporate Update

Board changes

During the quarter the Company reported Board changes, with high profile tech-entrepreneur John Dimitropoulos joining the Board as a Non-Executive Director. John has over 25 years of tech start-up experience and has extensive expertise in the tech and SaaS industries. At the same time, Sean Habgood stepped down from his role as a Non-Executive Director of the Company to pursue other commitments.

Top-tier finance executive appointed as CFO

Connexion announced in January 2016 that Mr Graeme Sala had been appointed as Chief Financial Officer of the Company. Mr Sala joined the Company with a substantial background in financial and operational leadership experience.

Outlook

Substantial progress has been made in this past quarter, with transformational revenue growth now imminent from GM's launch of the Company's Commercial Link service. This firmly positions the Company as a market-leading provider of connected car software and services in an industry that is expected to continue growing rapidly as more cars become internet connected.

The Company expects substantial revenue uplift in the months ahead as GM's Commercial Link service gains subscriber traction as well as the continued uptake of the Flex-based product. In addition, miRoamer licensing to the South American automaker is anticipated to begin later in 2016. Revenues from the Company's Flex and miRoamer products remain on track to exceed an estimated \$20 million in FY2017 and \$35 million in FY2018.

The Company's partnership with Oracle is a substantial development for Connexion, delivering a new data analytics revenue stream and significant cost savings for the Company, through the transfer of its data infrastructure to Oracle.

The Company looks forward to continuing to provide updates to the market as it continues to deliver substantial value for its shareholders.

CEO of Connexion Media, George Parthimos commented:

"The past quarter has been a period of very high activity for the Company, with a number of substantial corporate and operational developments successfully completed. With General Motors now having launched its Commercial Link service, the Company is on track for transformational revenue in the months ahead.

"With sales activities ramping up, we expect that the Company will reach cash breakeven at the end of this year. I look forward to providing further updates in the months ahead as we continue to make further operational and financial progress towards becoming a market leader in the connected car space."

Ends

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About Connexion Media

Connexion Media specialises in developing and commercialising smart car software apps and services for internet-connected vehicles and mobile devices. The Company is headquartered in Melbourne, Australia and currently has offices in Cambridge, Detroit, Kochi and Seattle.

Connexion has two core products in commercialisation, Flex and miRoamer. Flex is a highly sophisticated smart car solution that allows car fleet managers to manage an entire fleet of vehicles from a mobile phone or computer and deliver cost efficiencies through reduced maintenance costs. Flex is able to track a range of real time and historical data including vehicle locations, distance travelled, fuel consumption, battery life, engine performance and absolute and average speeds travelled. It is also able to monitor driver behaviour and instantly send notifications and alarms to vehicle owners and fleet managers.

miRoamer is a next generation internet radio product that allows users to pick up radio stations from broad geographies, including international stations. miRoamer has become the world leader in internet radio technology, delivering a superior understanding of the technical, content and marketing

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demands of radio manufacturers and car makers alike.

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