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Company Announcements Office
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G8 COMMUNICATIONS LIMITED (“G8C”) – REVENUES BUILDING WITH DEVELOPING OPPORTUNITIES

HIGHLIGHTS

- **Cash Receivables reach USD\$200,000 for the quarter.**
- **USD\$500,000 of inventory ready to be shipped on order.**
- **Successful CTIA presentations to significant North American telcos and distributors.**
- **G8C enters discussions with AT&T enterprise customers with first orders anticipated.**
- **Sales to Verizon Communications customers continue to grow.**
- **Coca Cola expand relationship with G8C via new EMU router product.**
- **EPRI to expand trials with new product orders expected.**
- **Nashville Police Force extend trials with larger order expected this year.**
- **Vodafone USA orders anticipated via enterprise customers.**
- **Hills Australia appoints internal BDM ahead of first purchase order.**
- **American Red Cross using G8C products for safety and emergency relief uses.**

The Board of G8 Communications Limited (“G8C”) is pleased to provide this market update outlining the status of its various projects and revenue achievements.

Cash Receivables for the 3rd quarter have reached USD\$200,000 which exceeded the last two quarters and the business is ready for further revenue expansion with USD\$500,000 of inventory ready to be shipped on order.

Presentations by G8C at the recent CTIA (Cellular Telephone Industries Association) trade show in Las Vegas in early September were extremely positive incorporating extensive meetings with both potential distribution telecommunications partners and carriers. These included but weren’t limited to T-Mobile (world’s 15th largest carrier with approx. 230 million subscribers) whom G8C have now been certified with and will soon begin selling via their sales channels, Rogers (a CAD\$29b Canadian company who work extensively with fortune 500 companies), Telus (a CAD\$12.5b revenue Canadian telecommunications company) and Tech Data (a USD\$27b US based multinational distribution company ranked 107 on the fortune 500



list). Discussions with each of the above continue with the view of providing their own enterprise customers with G8C communication solutions.

Certification with **Hills Australia (ASX : HIL)** has been completed with Hills confirming they will now be appointing an internal Business Development Manager to handle sales and marketing of G8C products via Hills extensive sales channel. A purchase order is expected in the next quarter and increasing orders are expected through early 2017. Sales opportunities via Hills are anticipated to be in the range of tens of thousands to hundreds of thousands of units in 2017 and 2018.

Further to the **AT&T** certification G8C achieved in August the company confirms it has successfully been introduced to a number of AT&T enterprise customers at the recent CTIA tradeshow. G8C is now actively working with these customers developing opportunities for roll out of G8C products via the AT&T network. It is anticipated purchase orders will be confirmed in the next quarter with significant further orders anticipated in early 2017. AT&T provide solutions to 3.5 million businesses on 6 continents including almost all of the Fortune 1000 companies. This relationship provides G8C with a significant platform on which to expand sales in the United States.

Sales training continues within **Verizon Communications** for G8C products. G8C have been introduced to existing Verizon sales channels as well as some of their major enterprise accounts. Verizon is America's number one cellular carrier with annual revenue in excess of USD\$140b. Sales orders are expected to commence in the next quarter leading into 2017 with volumes anticipated to increase throughout the year.

Evaluation of G8C's new Emu Router ER1000-VZ has begun within **Coca Cola** for field upgrades of their existing 3G connectivity solutions. Trials are expected to continue through the end of 2016 with purchase orders of the new cloud based management product expected to commence in the first half of 2017. This new product development with Coca Cola is in addition to the previously placed purchase orders for G8C's wireless modem product providing wireless communications solutions for their freestyle vending machines. Coca Cola has approximately 2.5 million vending machines in the United States and over 4 million worldwide.

Trials have been expanded within the **Electric Power Research Institute ("EPRI")** and further orders are expected in the next quarter. The trial is via some of the United States largest power providers testing G8C's purpose designed cloud managed energy modules. The addressable market is in the region of tens of millions of dollars via EPRI relationships. Orders of units for the extended trial are anticipated to be in the hundreds of thousands of dollars in 2017.

Nashville Police Force trials are progressing well and have now been extended with further product to be ordered. It is expected a larger order will be placed before the end of the year to assist with the next phase of trials. The trials will remain focused on G8C's wireless modems to assist with wireless communication and monitoring of existing pole top security cameras,



as well as an energy management module controlling lighting. Post trial demand for G8C's products remain as many as 20,000 units in the greater Nashville area creating an addressable market of more than USD\$5m.

Vodafone USA is looking to provide M2M solutions for their customers and for G8C to provide connectivity solutions via both the wireless router and modem products. Training of Vodafone USA distributors continues with sales to Vodafone Enterprise customers expected starting next quarter and beyond.

American Red Cross trials continue providing wireless communications to its mobile team and first responder units. The trials are expected to be completed in early 2017. The addressable market is significant via the American Red Cross which has tens of thousands of vehicles requiring connectivity and live video feed. The American Red Cross are seeking G8C's solutions for both safety and emergency relief uses.

G8C CEO, Yakov Temov said "It is pleasing to see revenue increasing via some of the above very significant opportunities. The business is poised to continue revenue growth for the remainder of the year with substantially increased opportunities to develop into 2017. With significant working capital in the bank, inventory ready to deploy and well advanced product development continuing, G8C is at a very exciting point in its development".

About G8 Communications

G8 Communications Limited has its operations based in Silicon Valley, in the US. Its business is a wireless technology innovator and manufacturer operating in the multi-trillion-dollar "IOT" (Internet of Things) sector. G8 Specializes in machine to machine ("M2M") connectivity, providing hardware and software solutions to some of the world's largest companies – including Coca Cola, Verizon and AT&T. G8's software solutions also include a customised cloud management interface and a variety of support services. Cisco predicts there will be 50 billion connected devices by 2020.

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