

ASX Announcement

ASX:CXZ

US Automaker Launch Update

- Connexion is on schedule to deliver the final customised Flex solution to the US automaker by 30 November
- Launch of the customised Flex product by US automaker is anticipated to occur in December 2015
- Initial free trial is expected to be provided by the US automaker to all new vehicle buyers
- Connexion will receive revenues during the free trial period payable by the US automaker
- Connexion anticipates over 50,000 paying subscribers within 6 months from product launch

13 November 2015, Melbourne: **Connexion Media Limited** ('Connexion') is pleased to provide an update on its contract with a major US automaker, as announced 11 May 2015. Connexion advises that it is on schedule to deliver the final customised Software as a Service (SaaS) Flex-based solution to the automaker by 30 November, following the completion of final development and security testing.

The Company anticipates that the product launch by the US automaker is expected to occur in December 2015.

An initial free trial is expected to be provided by the US automaker to all its new vehicle buyers, subject to meeting certain criteria, with subscription revenues from the free trial period being paid by the automaker to Connexion. At the end of the free trial period, the subscription service will automatically revert to the new vehicle buyer (unless they chose to opt-out of the service).

This free trial period marketing approach is expected to be similar to what is commonly offered in the US by Sirius XM satellite radio and has been highly successful in achieving large free trial take-up rates and strong ongoing paid subscription conversions.

Based on the initial free trial offer and the size of the US automaker market share, Connexion anticipates to acquire over 50,000 paying subscribers within 6 months from the product launch.

The Company also advises that the US automaker may potentially showcase the new product at the 2016 Consumer Electronics Show (CES) in Las Vegas, US (taking place from 6 to 9 January). CES is the world's leading show for consumer technologies and benefits from expansive global media exposure.

CES has become increasingly important for automakers in recent years. The 2016 show is expected to attract over 11 multinational automakers including BMW, Chrysler, Ford, GM, Mercedes Benz, and Volkswagen.

The Flex-based product developed with the US automaker is a simple and easy vehicle management system that helps keep businesses running their fleets at maximum efficiency.

The product will include the following key features:

- **Location** – Tracks any vehicle and location history from mobile or desktop computer
- **Fuel** – Monitor vehicle fuel consumption over time with helpful fuel efficiency reports
- **Speed** – Keep drivers safe by easily monitoring vehicle absolute and average speed and alerts
- **Maintenance** – Receive service and maintenance notifications to help reduce downtime
- **Reporting** – Set threshold notifications and alarms to receive custom reporting, as well as business/personal trip logs
- **Security** – remote vehicle lock/unlock feature

The service also includes a user web portal, mobile apps and end-to-end support services (call centre), all managed by Connexion on behalf of the US automaker.

CEO of Connexion Media, George Parthimos commented:

“Connexion is entering a very exciting period. We are about to launch our largest and most lucrative SaaS product with a major US automaker, and have all the necessary personnel, processes and infrastructure in place to support a large-scale commercial launch.

“The Company has experienced rapid growth in recent months. We continue to actively engage with the automotive industry on a global level, which is generating tremendous interest in both our products, Flex and miRoamer, as well as new product development opportunities.

“We look forward to updating shareholders in the coming weeks regarding the product launch of a Flex-based product by our US automaker partner.”

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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. It is based in Melbourne, Australia, with a sales office in Detroit USA and Cambridge UK.

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 demands of radio manufacturers and car makers alike.