

2 May 2016

VELPIC RELEASES VERSION 3.0 OF E-LEARNING PLATFORM

Achieves Key Milestone Ahead of Schedule

Highlights

- Successful launch of Version 3.0 of Velpic's cloud-based video eLearning platform, almost three months ahead of schedule
- Activation of third and final major sales channel, with Version 3.0 to accelerate Velpic's international growth strategy and to lead globalisation of the Velpic Platform
- Version 3.0 to target SME market segment – a significant growth driver in the global Learning Management Systems market
- New features includes 'Self Sign Up' and automatic payment options that help facilitate SME client interest for trials and purchases without sales assistance
- Revenue to continue to be generated through monthly subscription fee, with Pay Per View fees for SME clients included in new pricing packages
- Activation of all three pillars in sales strategy positions Velpic towards accelerated client acquisition and expansion of market share

Velpic Ltd (ASX: VPC) ("Velpic" or the "Company") is pleased to advise that a major milestone has been achieved in the Company's international expansion strategy, with the successful launch of Version 3.0 of Velpic's cloud-based video eLearning platform almost three months ahead of schedule.

The release of Version 3.0 – known as the SME (small to medium enterprises) version – activates the third and final major sales channel of Velpic's three pillar sales strategy, and mobilises the Company's international growth plans to become an industry leading, global SaaS (software-as-a-service) based business. Combined with pillar one (Enterprise Sales) and pillar two (Reseller

ABN 33 885 280 391

243 Hay St Subiaco WA 6008
t+61 8 6160 4455 e info@velpic.com
velpiclimited.com | velpic.com

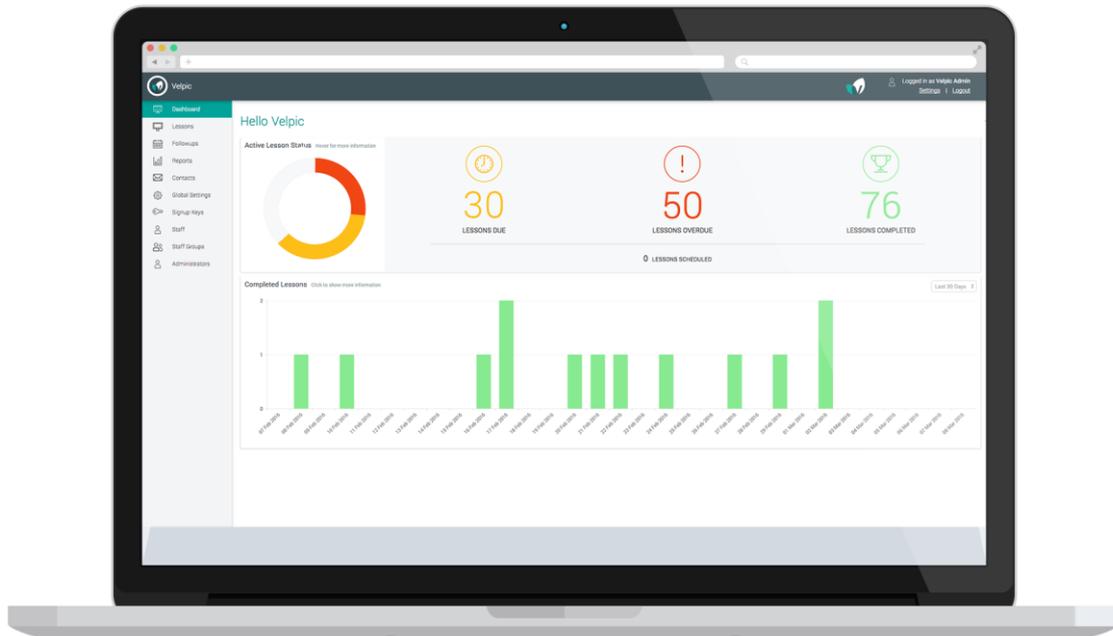
Partnerships), which have been executed, the three pillar sales strategy will advance Velpic's key growth initiatives of accelerating client growth and expand market share.

Version 3.0 is targeted to the SME market segment, which has become a significant growth driver in the global Learning Management System (LMS) market – projected to grow at 20.8% CAGR (compound annual growth rate) to reach approximately US\$10 billion by 2020.

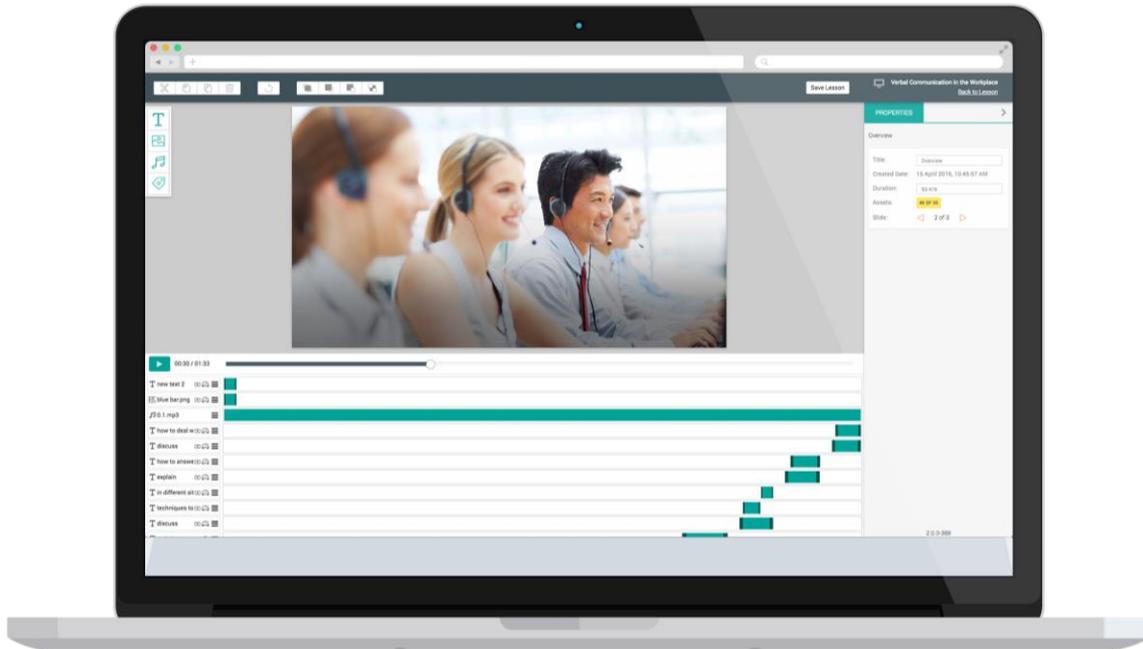
Following a rigorous testing period, Version 3.0 offers SMEs a cost effective solution for smaller workforce training and induction requirements, with proven improved content retention. The new version has been specifically designed to attract SME clients, which has been facilitated through a new, fully automated "Self Sign Up" feature. This allows interested clients to sign up for trials and purchase an SME plan directly from the Velpic website, without the intervention of a sales person. A payment gateway has been installed that allows clients to make automatic, secure payments to Velpic for use of the platform.

Other new and improved features of Version 3.0 include:

- **New Dashboard:** allows supervisors and administrators to look at an easy to understand snapshot of lesson completion timing and lesson follow-up information
- **Authoring Enhancements:** a new suite of additional features including Undo, layer controls such as locking and hiding and new selection of fonts
- **Improved Lesson Completion Tracking:** New follow up features that allow supervisors and administrators to check a lessons completion status even quicker, and quickly find out users that have not completed assigned lessons
- **New Interface:** A visually cleaner and more intuitive user interface aligned with Velpic's commitment to developing platform that is simple and engaging



New dashboard design for Version 3.0



A suite of new authoring tools will enhance client experience in Version 3.0

Velpic will continue to generate revenue from all clients via a monthly subscription fee for providing access to its eLearning platform and professional service fees where requested for implementation. Pay Per View (PPV) fees for each lesson completed will only be applicable to Enterprise clients as the new SME pricing includes a monthly limit of lessons.

Velpic Chief Executive, Russell Francis, commented:

“We are extremely pleased to be able to launch Version 3.0 of the Velpic platform well ahead of schedule - this is the most significant milestone for the Company since it launched the platform in mid-2014.

“Version 3.0 marks a key point in the Company’s growth trajectory, with the SME version now the ignition point for the globalisation of Velpic’s platform. Coupled with the recent partnership with ADP Marketplace, the SME offering will open additional new geographies to Velpic, which will then be followed by the Company’s enterprise offering.*

“With the support and global SaaS expertise of our Chairperson Leanne Graham, Version 3.0 marks a significant milestone in Velpic’s growth strategy, signalling that the Company is now firing on all cylinders with respect to its sales strategy, continuing the strong growth momentum in client acquisition and expanding market share.”

For further information on the official release of Version 3.0, Velpic provides an opportunity to watch a video interview with Chief Executive Russell Francis.

Mr Francis discusses in more detail how Version 3.0 will help expand the Company through client acquisition and market share, and firmly establish Velpic as *the* global video eLearning platform.

To view the video, please follow the link or copy the link into your web browser:

<https://youtu.be/B7gT99Da4h4>

****ENDS****

*see ASX announcement 14 March 2016

For further information, please contact:

Investor queries:

Russell Francis
CEO – Velpic
+61 8 6160 4455
russell@velpic.com
www.velpic.com - for product information
www.velpiclimited.com - investor relations

Media queries:

Ben Grubb
Senior Account Manager
Media and Capital Partners
+61 414 197 508
ben.grubb@mcpartners.com.au

About the Velpic Group

The Velpic Group consists of two related entities: Velpic, a cloud-based video e-Learning platform, and Dash Digital, a brand technology agency.

Velpic has developed a unique online platform that provides a scalable, cloud-based training, induction and education solution for businesses. The platform allows businesses to create their own training lessons and distribute them to staff and contractors, who can access the Velpic Platform on all devices including mobile phones and tablets.

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velpiclimited.com | velpic.com



The cloud-based platform has global potential and is set to disrupt the traditional Learning Management System (LMS) marketplace, and Velpic already has an extensive list of ASX 200 clients using the platform.

Dash Digital is a full service digital branding, marketing, web and app development organisation that seamlessly blends creative and development talents across all disciplines – visual design, print graphics, websites, software development and online marketing.

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