

5 July 2016

Successful Completion of Rights Issue

Velpic funded to Accelerate International Expansion

Highlights

- Successful completion of the rights issue, applications received for 190 million shares (\$5.7 million)
- Outstanding support from shareholders and new investors
- Funds raised will accelerate the Company's international expansion strategy

Velpic Limited (ASX: VPC) ("Velpic" or "the Company") is pleased to announce that its renounceable rights issue announced on 7 June 2016 closed on 1 July 2016, raising \$5.7 million before costs. The Company will issue a total of 190.1 million shares and 95 million options.

The Company is delighted with the outstanding support from shareholders, particularly against a difficult macroeconomic backdrop and would like to thank them for their support.

The rights issue was partially underwritten by CPS Capital who acted as the Lead Manager and Underwriter.

Net proceeds, in conjunction with existing cash reserves, will be used to accelerate the Company's international expansion through partnerships and digital marketing, as well as providing funds for further platform development and innovations to Version 3.0 of the eLearning platform.

Following the capital raise, Velpic plans to accelerate its strong customer growth momentum to uphold its competitive advantage in the rapidly growing Learning Management System market.

Quotation of new shares and new options on the ASX is expected to occur on 8 July 2016.

Velpic Chief Executive, Russell Francis, commented:

"To have such a strong take-up of our offer in such a turbulent market demonstrates the significant confidence that our shareholders have in Velpic and our strategy going forward.

"We would like to thank our shareholders for their support of this offer which provides us with the opportunity to accelerate our international expansion strategy and allows us to continue



making platform improvements that will maintain Velpic's first mover advantage, firming up our position as a market leader in the global eLearning space.”

****ENDS****

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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.

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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