

19 September 2016

## Sales Progress & Marketing Update

### Highlights

- Velpic sales team continue to deliver strong client growth with multiple new clients signing up to the platform every week
- All three core pillars are in place and achieving traction with new client growth from Enterprise, Reseller Partnerships and SME self sign-up
- Velpic ramping up sales and marketing efforts specifically for the SME pillar with digital marketing taking the lead
- Continued revenue growth from the existing cost base expected for the remainder of CY2016

**Velpic Limited** (ASX: VPC) (“Velpic” or “the Company”) is pleased to provide an update on its continuing strong client growth and associated increase in revenues across the Company.

### Enterprise Sales

Velpic’s Enterprise Sales team has been delivering strong client growth. Velpic has recently achieved a number of new client wins with the Company’s client base more than doubling over the course of calendar year 2016. The Enterprise team has recently signed multiple new clients across the East and West coast of Australia and across multiple industries. Recent new clients include: Freedom Electrical, SRG, Vassallo Construction, Enjo, Ranger Drilling, A. P. Eagers and Bid Metrics.

### Reseller Partner Growth

Velpic’s Partner Program team has been on-boarding new partners and equipping them with the skills required to sell the Velpic platform. The number of registered Velpic partners now stands at 21, compared to zero 9 months ago, and these partners are now starting to win their first clients. Under the highly scalable re-seller model, Velpic benefits through a revenue sharing relationship with the full benefit of this pillar likely to become apparent over the next 6-12 months.

### Panalitix

Further to its announcement on 29 June 2016 regarding Velpic's distribution agreement with Panalitix, Velpic is pleased to announce that this agreement has now commenced generating its first revenues for Velpic, with Panalitix distributing their content to over 135 customers nationally via the Velpic Platform as part of phase one. As the number of new customers delivered via the Panalitix agreement continues to grow in the months ahead, the Company expects further revenue uplift.

### SBIA

Further to its announcement on 4 December 2015 regarding Velpic's first Reseller Partnership with retail industry trainer John Blake and the Surf Boardsports Industry Association (SBIA), Velpic is pleased to announce that John Blake's retail sales training content is now available to all of SBIA's 1,000+ members in time for the 2016 Christmas Holiday retail season. Already more than 20 stores have signed up and over 100 staff have completed their retail training through the Velpic Platform. The Company again expects further revenue uplift as new stores sign up via the SBIA web site in the months ahead.

### SME Marketing

To kick start the third and final pillar, SME self sign up, Velpic will be aggressively accelerating its sales and marketing efforts, including a significant ramp up of its online digital marketing campaign. The initial stages of the digital marketing campaign has already delivered paying SME self sign-up clients and also generated a significant number of web site trials.

### Velpic Chief Executive, Russell Francis commented:

*"The Velpic story continues to go from strength-to-strength. Our Enterprise client growth in particular is steadily contributing to revenue uplift. In addition, with the first Partner revenues now received and our SME marketing efforts ramping up, we look forward to a strong close to the 2016 calendar year."*

**\*\*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.