

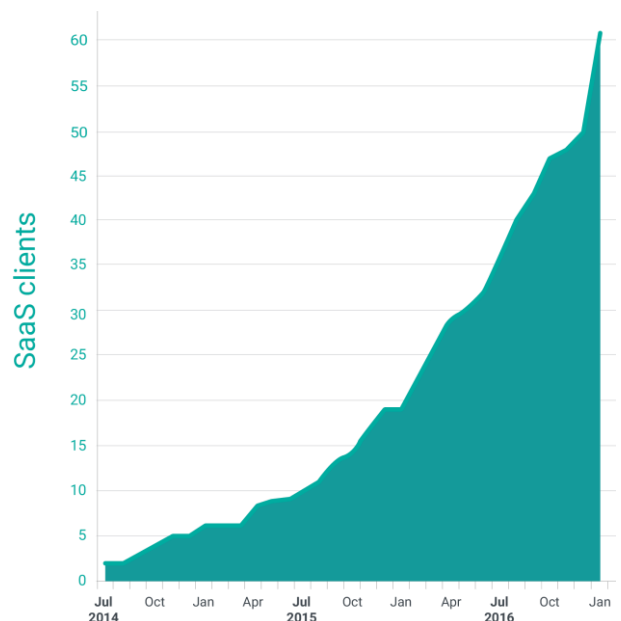
6 February 2017

Newly Enhanced Sales Team Hits Sales Inflection Point

- Velpic’s expanded sales team begins the new year with a strong start, with 11 new subscription clients in the first month
- Sign ups also include the Company’s first client from the ADP Marketplace, validating its marketplace strategy to enhance its international presence
- 11 new clients represents 22% growth delivered in a single month, demonstrating the enhanced sales teams’ ability to rapidly drive sales growth
- January sales will immediately increase annualised subscription revenue by 13%
- Performance follows high calibre sales appointments and a superior LMS platform
- The Company boasts a robust sales pipeline bolstered by the enhanced sales team and is expected to drive revenue in 2017

Velpic Limited (ASX: VPC) (“Velpic” or “the Company”) is pleased to provide an update on the exceptional success and early performance of its enhanced sales team, which has signed up 11 new clients in the first month of the year.

The addition of the 11 new clients represents 22% growth delivered in January which is historically a quiet month and marks a sales growth inflection point. The rapid growth reflects the high calibre sales team appointments (announced 25 January 2017) and the superior Learning Management System (LMS). January sales will immediately increase annualised subscription revenue by 13% which is then expected to further increase in the coming months as clients upgrade their accounts to enterprise pricing after setting up their lessons with the Velpic platform.



The new customers also include the Company's first international client delivered via the ADP marketplace, validating the business' marketplace strategy to reach international customers through its presence in online marketplaces worldwide.

In 2016, Velpic transitioned from an early stage technology company to a revenue generating business and its focus is now on scaling the revenue through new client sign ups. Subscription revenue is fast becoming a more significant proportion of the revenue mix and as the sales team continues to sign up new SaaS customers, this stream will further increase its contribution.

The Company's comprehensive sales strategy includes efforts of its sales team and marketplace positioning to amplify its global presence as it seeks to further expand into new geographic territories and market verticals.

Russell Francis, Chief Executive Officer, Velpic commented: *"I am exceptionally pleased with the strong performance delivered by our newly enhanced sales team so early in the year. January 2015 and 2016 combined had yielded just 1 new client so to add 11 clients in a historically quiet month demonstrates that Velpic has entered a crucial growth inflection point. I am confident in the restructured Sales Team and in our marketplace strategy to continue to sign up new subscription clients and in turn drive our subscription revenue."*

****ENDS****

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About the Velpic Group

The Velpic Group consists of two related entities: Velpic, a cloud-based video eLearning 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.