

ASX ANNOUNCEMENT

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DigitalX Names Telecommunications Giant Telefónica as Latin American Strategic Partner

Highlights:

- DigitalX reveals that Telefónica, one of the world's largest telecommunications companies, is DigitalX's first strategic partner in Latin America.
- Technical integration and testing of DigitalX's AirPocket App on Telefónica's network is now completed and in production.
- Telefónica will market AirPocket to its customer base across Latin America via a SMS marketing campaign.
- The partnership provides Telefónica's nearly 232 million telecommunication access points in Latin America access to AirPocket.
- AirPocket will be launched on Google Play and Apple's App Store by the end of the month.

DigitalX Limited (ASX:DCC and "the Company") is pleased to announce that Telefónica Internacional S.A.U. ("**Telefónica**") is the Company's first strategic partner in Latin America following the successful integration of the DigitalX AirPocket App into Telefónica's network.

The mobile phone giant signed a marketing, distribution and sales agreement with DigitalX, which was announced to the market via the ASX on 17 February 2016, that will give Telefónica's Latin American customers access to DigitalX's unique value transfer and remittance application, AirPocket.

Telefónica, which has nearly 232 million telecommunication access points in Latin America, is one of the largest telcos in the region and is among the top five biggest telecommunications groups in the world. The partnership with DigitalX paves the way for the mobile application to be launched in the United States before the end of the month on Apple's App Store and Google Play.

The strategic agreement allows consumers in the United States and Canada to use AirPocket to transfer funds directly into mobile phone accounts of users on the Telefónica network in Argentina, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Nicaragua, Panama, Peru and Uruguay. Additional countries will be added as part of the broader roll out.

The revenue potential from the partnership is significant to DigitalX as the Company earns a commission on the value of the transfer, which can range between US\$2 and US\$70 per instance.

“Our partnership with Telefónica is a significant development for our Company and the AirPocket application. The agreement with a Tier 1 telecommunications provider puts AirPocket into a very strong position. Telefónica provides access to a very large and lucrative market given that the telco controls a large percentage of the mobile phones in Latin America,” said DigitalX’s Chief Executive Officer Alex Karis.

“To be able to partner with a company like Telefónica validates AirPocket’s enormous potential as a secure value transfer and digital funds transfer service. We look forward to continuing to expand our offerings across this region.”

Oscar Namuche, Chief International Officer of Telefónica, commented: “Telefónica is always aiming to expand its digital channels beyond borders adding further value to our customers. This partnership will enable millions of Latin American expatriates who have access to a smartphone to send Movistar airtime to their home countries in an easy, clear and transparent way, so they can continue to contribute to their home and families.”

DigitalX Limited

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About DigitalX Limited

DigitalX is a Blockchain-based software solutions group disrupting the payments industry. Its products allow consumers to make secure and cost-effective money transfers worldwide. Partners can use DigitalX’s technology to offer new financial products. DigitalX is based in Boston and has offices in New Jersey and Australia.

About Telefónica

Telefónica is one of the world’s leading integrated operators in the telecommunications sector, a provider of communication, information and entertainment solutions with presence in Europe and Latin America. The group operates in 21 countries with over 329 million telecommunication accesses. In Latin America and Brazil, Telefónica served more than 232 million telecommunication accesses as of the end of 2015. For more information, visit www.telefonica.com.