

ASX ANNOUNCEMENT

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DigitalCC Limited

Innovative Digital Currency Solutions

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Trading as digitalBTC

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DCC to Diversify Operations into Global Remittance Market

- digitalBTC shifts focus of its digitalX Pocket product to disrupting the global remittance market via the use of distributed ledger technology - the Blockchain
- digitalX Pocket to provide the remittance function through an innovative new feature called AirPocket
- AirPocket positioned as the peer-to-peer “Uber or Airbnb” solution for remittances
- Launch de-risks market exposure away from Bitcoin volatility into an established, half trillion dollar global market
- AirPocket leverages the unique Blockchain technology validated by digitalBTC through its utilisation in other Company products
- Global remittance market estimated to be worth US\$583 billion in 2014, of which \$436 billion relates to remittances to developing countries
- Beta version of digital Pocket scheduled for launch by end of Q2 CY2015

Digital payments company Digital CC Limited (trading as **digitalBTC**, ASX:**DCC** and ‘the **Company**’) is pleased to announce the upcoming beta launch of digitalX Pocket, a revolutionary remittance product, in the June 2015 quarter.

Overview

AirPocket is a new key part of the digitalX Pocket application enabling cash to be transmitted anywhere in the world through a peer-to-peer model, with no institutional intermediary involved. It extends the geographic reach of the cash remittance network beyond retail-location services by allowing anyone who owns a smartphone to act as a money transmission service (“AirAgents”), whether they are merchants, retailers, or individuals. It is one of the first services to offer a user-to-agent based model without the use of cryptocurrency and is based on a similar concept to Uber and Airbnb.

One third of all remittances go to rural areas which often lack reliable brick and mortar money transmitters. This makes the AirPocket model of using mobile AirAgents ideally suited to this market.

The Blockchain technology has been an important part of digitalBTC’s business operations to date and provides the Company with a major competitive advantage for the disruption of the remittance market. AirPocket utilises the technology in combination with existing banking technology to introduce a new form of payments.

The product provides an alternative service to compete with existing high cost remittance vendors. This is made possible by AirPocket's low cost technology infrastructure platform that allows for significant high volume commercial opportunities, despite low margins.

How AirPocket Works

AirPocket Agents ("AirAgents") are vetted and have a funded AirPocket account. The Sender locates an AirAgent through the application's mapping interface and approaches them with the cash they intend to send. The AirAgent accepts the cash and through their account with AirPocket sends the equivalent amount through the application. The transaction is recorded on the Blockchain ledger, providing secure, incorruptible, persistent and decentralised storage and verification. This eliminates large overheads associated with the maintenance of the platform and regulatory reporting for digitalBTC.

Once the AirAgent has sent the funds, the sender receives a code ("AirCode") via an SMS, which they send onto the Recipient. The Recipient then locates an AirAgent in their country and provides them with the AirCode, which credits the AirAgent's account. The AirAgent then provides the recipient with the cash in their local currency.

The fees to send currency are significantly lower than average fees paid by the Sender using other remittance channels. This is due to the low cost mobile peer-to-peer technology implementation as well as the use of the Blockchain technology to store transaction records. The fees are distributed between digitalBTC and the two AirAgents.

The Market

The remittance market globally is estimated to be worth US\$583 billion. Growth in this market is estimated to reach \$707 billion by 2016, with the largest recipients being India, China, the Philippines and Mexico.

AirAgents are required to have a smartphone in order to use the application, of which there are estimated to be nearly 2 billion globally. This number of smartphone users is expected to grow by 0.5 billion by 2018 to 2.5 billion.

Sources: [World Bank](#) (remittance figures) and eMarketer (smartphone data)

Zhenya Tsvetnenko, Executive Chairman, digitalBTC commented:

"The launch of AirPocket repositions the company as an innovative fintech product provider to the global remittance market. The untapped disruptive potential of this market is unique and digitalBTC's proven capability utilising Blockchain technology provides the platform and competitive advantage, which underwrites our ability to transform the way consumers remit funds and generate outstanding commercial returns in the process."

Ends

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