



8 September 2016: ASX Company Announcements Platform

FirstWave NGFW pipeline increases from 40 to 75+ with rapid growth continuing and secures \$1million+ in new cloud security contracts

Highlights:

- NGFW tender pipeline continues to grow at significant rate
- FCT also securing new contracts for other cloud security offerings
- New contracts for email and web security and full utilisation of cloud security have been secured – contract terms between 1-3 years
- Builds on FirstWave's recurring revenue base
- International expansion opportunities progressing well

FirstWave Cloud Technology Limited (ASX:FCT) ("FirstWave") is committed to quarterly updates but with the business moving forward more quickly than anticipated, this is an interim update to keep the market informed.

To this point, FirstWave is pleased to update shareholders on significant growth in tenders for its recently launched Next Generation Firewall (NGFW) product, and some new contracts secured for email, web and complete cloud security services.

Demand for the NGFW product is exceptionally strong, and since the market updates of 22 July and 30 August, tenders have increased from the reported 40 to over 75 opportunities. FirstWave expects tender numbers to keep growing as Telstra more actively promotes the NGFW offering to its enterprise and government customers.

In addition to a strong tender pipeline, FirstWave is also pleased to report that it continues to strengthen its recurring revenue base with approximately \$1 million worth of new contracts secured for email, web and complete cloud security services.

The contracts, which were awarded to FirstWave by new Telstra enterprise customers in the Financial Services, Travel, Telecommunications and Retail sectors, range between one and three years in length, and are already contributing to the Company's revenue base. These represent new revenue for FirstWave.

The significant rapid growth in the NGFW tendering pipeline, and the new recurring revenue generating contracts, reflect the very strong demand for FirstWave's cloud security services. As highlighted recently, FirstWave's tendering activity remains at record levels.

FirstWave's Managing Director Steve O'Brien commented: *"The growth in the NGFW tendering pipeline to 75+ opportunities in less than two months illustrates the very large market opportunity and the growing importance of cloud security for both business and government. We have a huge opportunity domestically and international opportunities are progressing well."*

"FirstWave's revenue base is growing rapidly and we are locking in contracts on terms and margins that are acceptable to both FirstWave and our new customers."

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“Strengthening our recurring revenue base is a key priority. Securing contracts for up to three years is a pleasing endorsement of our Software as a Service (SaaS) security offering and, importantly, it builds a stable and recurring revenue base for the longer term.

“We look forward to updating shareholders on our international opportunities, the progressive conversion of domestic tenders into new contracts and partnership updates.”

- ENDS -

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Follow FCT on its Twitter investor relations feed: https://twitter.com/Firstwave_FCT

About FirstWave Cloud Technology

Australian cloud technology company, FirstWave, operates a technology business in the burgeoning cloud based IT managed security services market, having created an intelligent carrier grade cloud security platform for business. First Wave has delivered Software as a Service (SaaS) solutions since 2004 in a form similar to what we call “cloud” today and has a long standing relationship with Telstra. FirstWave offers a comprehensive cloud security and analytics technology solutions suite that, along with advanced mail, web & NGFW content controls, now offers unified, integrated x-threat vector advanced malware protection technology solution for any business or enterprise moving to or operating in the cloud. Over 300 customers already trust FirstWave including the largest Australian financial institutions, state and federal government, utilities, ASX listed and private companies in the mining and retail sectors. www.firstwave.com.au

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