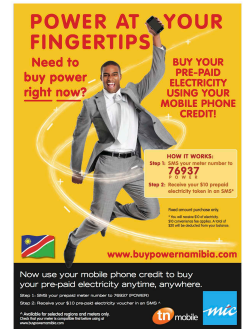




Media Release

mHITs BuyPower mobile prepaid electricity vending solution WINNER of African Mobile Financial Service innovation of the year

Canberra: 23 June 2014



The mHITs BuyPower mobile prepaid electricity vending service was the WINNER of the African Mobile Financial Service (MFS) innovation of the year for 2014 at the Mondato Summit Africa on June 17-18th in Johannesburg South Africa.

mHITs (pronounced Em-HITS), a pioneering developer and operator of mobile payment services, launched its first African deployment of the BuyPower mobile prepaid electricity vending service in Namibia. This is the first service of its type in Africa where airtime is used directly to purchase prepaid electricity. The payment model represents a disruptive but effective and convenient solution to the purchase of prepaid electricity. It also enables the sale of prepaid electricity in remote and regional areas for the unbanked where other forms of micro-billing are uneconomical or impossible.

To use the service, users simply send an SMS containing their meter number and the pre-paid electricity token is returned by SMS. No pre-registration or bank account is required. Payment for the electricity is automatically deducted from prepaid credit or added to their postpaid account. The service is available on both TN Mobile (formally LEO) and MTC mobile networks in Namibia.

“The BuyPower Namibia service represents a break-through in micro-billing for Africa.” says mHITs CEO Harold Dimpel. “The BuyPower model is not only convenient for end users, it can provide a more cost effective payment channel for utilities and their customers.” he continues. “Micro-billing using mobile phone credit directly is a disruptive concept but has been proven to be highly successful. It just makes sense - everyone wins.” he concludes. For more information on the service visit www.buypowernamibia.com.

about BuyPower

The mHITs BuyPower platform is a mobile vending solution enabling the purchase of prepaid electricity via mobile phone with payment made directly using carrier airtime. Payment is made by debiting the users prepaid mobile phone credit, or for post-paid users is billed to their mobile phone account.

This simple but effective concept has a proven business model that provides tremendous benefits and convenience to end users in a given market.

In particular, the platform is ideal for servicing regional and remote areas where micro-billing is uneconomical or impossible. In some cases, BuyPower enables electricity to be rolled out in regions where previously it could not due to the inability to collect payment such as remote islands or isolated communities. mHITs was the first and still remains the only provider in the world to operate this model.

In Papua New Guinea, where the BuyPower platform was deployed for Digicel, the service was reportedly responsible for processing over 60% of prepaid electricity purchases in the country. See <http://www.digicelpng.com/en/services/valued-added-services/easipawa-easipay>.



about prepaid electricity

In many emerging markets, it is common for electricity to be provided and metered as a pre-paid service. The home or building is fitted with a pre-paid meter with a unique meter number and also a keypad and a display.

Traditionally, users purchase a pre-paid electricity voucher over-the-counter and receive a printed receipt from their local electricity shop or agent. The receipt contains an encrypted 20-digit token that can only be used for the nominated meter. The token digits are manually entered into the meter using the keypad and the new purchased value is applied.

In many emerging markets, users only purchase a small amount of electricity at a time – equivalent to a few days supply. Sometimes electricity shops or agents are often sparse and have limited opening hours. As a consequence, queues for purchase of electricity can be very long – particularly in the late afternoon and weekends. Often consumers must travel by bus or on foot from their village to the nearest town with an electricity shop or agent.

Mobile prepaid vending solutions such as BuyPower mean that users can conveniently purchase electricity 24 hours a day directly and safely from their own home, saving time and money on travel costs.

about the African MFS innovation of the year award

The African MFS (Mobile Financial Service) innovation of the Year is awarded to the most innovative product or service launched by a company or organization in the MFS space during the past year. Applications are reviewed by a panel of judges comprised of industry influencers and venture capitalists. For more information visit <http://www.mondatosummit.com/#mondato-awards-africa>.

about mHITS

mHITS (pronounced Em-HITS) is a leading Australian based developer and operator of mobile payment services. In Australia, mHITS operates the mHITS SMS payment service that allows consumers to send and receive payments by SMS text message. For more information visit www.mhits.com.au.

mHITS is also working globally to provide simple, ubiquitous mobile payment solutions for the unbanked in emerging markets.

Use of the mobile phone as a payment device is acknowledged as a logical payment solution for the unbanked as people in developing countries often lack the formal identity requirements that traditional banking services require such as a birth certificate, formal address or regular employment or income. The lack of bank branches, limited number of ATM's, limited access to the Internet and the general low level of financial literacy in developing countries are contrasted by the large-scale uptake of mobile phones in these same markets. For more information visit www.mhitslimited.com.

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