ASX MARKET RELEASE

Investor Correspondence

20th April 2018

Please find attached a copy of correspondence sent to the investor relations mailing list of Buddy Platform Limited.

For and on behalf of Buddy Platform Limited
Stuart Usher
Company Secretary

About Buddy

Buddy Platform Limited (ASX:BUD) provides highly scalable Internet of Things data aggregation and management infrastructure by way of three unique offerings – Buddy Cloud, Buddy Ohm and Parse on Buddy. The Buddy Cloud offers smart city providers a globally scalable data ingestion and management platform. Buddy Ohm, a complete and low cost solution for facility resource monitoring and verification, connects systems that were never designed to work together, while turning energy savings into a strategic asset. Parse on Buddy is a mobile backend as a service (mBaaS) built on the world’s most popular BaaS technology. Buddy Platform is headquartered in Adelaide, Australia, with offices in Seattle, Washington.

For more information, visit www.buddy.com.

###

Buddy Platform Contact:
Brian Seitz, VP of Marketing & Communications
Phone: +1 (206) 745-9079
Email: ir@buddy.com
INVESTOR UPDATE

CEO Update Letter to Shareholders

SUMMARY

- Buddy is pleased to have resumed trading following the Company’s submission of its response to the recent ASX Aware Letter
- Commentary on primary Australian channel partner shift to Dicker Data from Telstra
- Business and sales momentum continues with Digicel now having completed their Buddy Ohm roll-out across all their major markets in the Caribbean and Central American markets
- Rizon IoT has commenced installations and sales of Buddy Ohm in the United Kingdom, starting in the Yorkshire city of Doncaster
- Ingram Micro will shortly launch sales of Buddy Ohm in new Latin American markets, with efforts there bolstered by the addition of new Buddy staff in-region
- Dicker Data has commenced sales of Buddy Ohm in Australia
- Successful Buddy Connect 2018 event in Sydney on March 27th saw representation from Buddy’s partners and customers, and new features and enhancements to the Buddy Ohm technology showcased
- Buddy has recently announced its plans to offer Carbon Offsets as a Service, entering the growing Net Zero Emissions market.

19 April 2018 – Adelaide, Australia

Dear Shareholders,

On behalf of the Board of Directors and the wider Buddy Platform Limited (ASX: BUD) (“Buddy” or the “Company”) team, I wanted to provide you with an update on our business following the recent requests for further information from the ASX (the “Aware Letters”) and yesterday’s reseller update announcement.

ASX Aware Response

Over the past few months, we’ve been asked on three occasions to provide ASX with further information about announcements the Company has made, some as far back as very early 2017. We aren’t alone in this situation – quite a number of listed companies have had similar enquiries, and as a proud member of a market that depends on the integrity of its participants, we’ve been working diligently to provide the ASX with as full and comprehensive
a response as possible to ensure that their queries were responded to transparently and satisfactorily. We were pleased to have had the opportunity to do so, and I'm glad that our responses to this most recent letter were considered sufficient by the ASX to warrant a resumption of trade.

The Board of Directors and management both recognise that shareholders may be impacted by suspensions of trade, and also seek comfort in the Company's responses to such enquiries. Accordingly, we invested considerable effort into ensuring our replies to these Aware Letters filled that need. Transparency and meeting our continuous disclosure obligations are of the utmost importance to Buddy and, as we have to date, we will continue to take these obligations seriously. We will also follow the ASX's guidance in respect to a review of our corporate governance policies, and will continue to work with our attorneys at DLA Piper to ensure that best practices are being followed at all times.

Now that we have resumed trading, I am looking forward to turning my full attention and energy back to the operational success of the business. The vast majority of the Buddy team has remained focused on driving the business through this recent period while we responded to the Aware Letters, and to this end, Buddy has continued to move forward in pursuit of our focussed goal of driving Buddy Ohm sell-through in 2018.

**Update to Australian Distribution Arrangements for Buddy Ohm**

As you no doubt saw, yesterday we published an announcement to the ASX that Telstra and Buddy have ceased negotiations for Telstra to become the primary reseller of Buddy Ohm in Australia. We further announced that Dicker Data – one of the leading technology distributors in the Australasian region – would become our primary channel partner in Australia.

If you managed to attend our Buddy Connect 2018 event in Sydney a few weeks back (or watched the livestream for those who were unable to attend in person) you would have heard how passionate Dicker Data is about bringing Buddy Ohm to market in Australia. Jason Hall, General Manager of Services & IoT at Dicker Data spoke about their experiences with the product first as a customer, which they're now excited to be able to share with their resellers and end-customers.

Effective immediately, we have shifted our sales focus and efforts to Dicker Data and, as we announced yesterday, Dicker Data has already commenced sales.

While certain investors may be disappointed that Telstra will now not be acting as a reseller for Buddy Ohm, I believe that Dicker Data is a stellar choice to assume the primary distributor mantle in Australia; they're passionate, they're excited about what the product does, they're already a customer of the product themselves and through their 5,000 resellers region-wide, Buddy will be provided with an extensive network and reach into the Australian market.

**Continued Operational Progress**

As our first major reseller of the Buddy Ohm product – Digicel (which sells the product as “Ohm by Digicel” in the Caribbean and Central American markets) has now completed their rollout across the major markets in their exclusive territories. This means that with the exception of a few very small islands, all major territories are now sales trained, installer trained and have commenced selling. The last major territories were Bermuda, Antigua, the British Virgin Islands and Haiti.
For those that attended or watched the livestream of Buddy Connect 2018, you would have heard Digicel Head of IoT Business Development (Central America, Latin America), Bryan Kane, remark that, “So far our customers have been really pleased... not one customer to date has ever said no to the devices or to the service.” He went on to say that, “One thing that stands true with all of our business and enterprise customers is that they do need something to control and monitor what goes on within their buildings. So this was the perfect product for us”.

I’m spending this week in Europe, principally in the United Kingdom, where on Monday I was very pleased to accept an invitation to speak at the Rizon IoT team’s UK launch event at Keepmoat Stadium in Doncaster, Yorkshire. Rizon has established a close relationship with the City of Doncaster, whose economy is booming following the launch of a major regeneration program there.

I was joined on stage by Scott Cardwell, Development Director of Doncaster City Council who spoke warmly of the growing relationship between Doncaster and Rizon, and in particular what the rollout of Buddy Ohm systems across the city will mean for their efforts to increase efficiencies, grow awareness and cut operating costs. The City of Doncaster owns and/or operates roughly 1,000 buildings so the opportunity for us to help them achieve their goals at some real scale is significant. We hope to leverage the close public-private partnership being developed in Doncaster as a model for what can be achieved by regional municipalities across the UK over the course of time.

Figure 1. Scott Cardwell of the Doncaster Council speaks about their deployments of Buddy Ohm

Our Latin American (LatAm) sales efforts have had a boost this year with the addition of sales and support staff in that region. Based in Miami, Florida, our LatAm team supports both our partner in Digicel and by extension their markets, as well as the remainder of Latin America.
(from Mexico to Chile). With that support team in place, Ingram Micro will shortly commence distribution of Buddy Ohm into their resellers in that region.

**Buddy Connect 2018**

In March, we hosted our Buddy Connect 2018 event and were delighted to see so many of our shareholders, partners and customers in attendance. We hope that everyone enjoyed the event and the opportunity to also hear presentations (as mentioned above) from Jason Hall at Dicker Data and Bryan Kane at Digicel. We were also very pleased to welcome Adam Beck from the Smart Cities Council Australia New Zealand. He said, “they’ve nailed the brief at Buddy – I think its (Buddy Ohm) really done an amazing job to advance something we’ve been trying to for a very long time, which is to make doing good the easiest option, and I congratulate you guys for doing that”.

In addition, we were delighted to have Jason Hall from Dicker Data take the stage at our Buddy Connect 2018 event. He spoke very generously, saying “we (first) deployed the Ohm system as a demo system; we put it into our own staging centre as a way to be able to show resellers and our customers to get hands on with the technology.” He went on saying, “we’re now planning to roll out Buddy Ohm across the organisation so that we get a really accurate perspective of how we utilise energy... Our end user experience has been fascinating and we’re looking forward to seeing our customers and their end users go on the same journey whereby installation goes in, and then grows as people understand what they can do with it (Buddy Ohm)... we’re really looking forward to sell-through in 2018”.

We were excited to share further details about new features and enhancements to Buddy Ohm, to show examples of the first products to be certified in our “Works with Ohm” program and to talk in depth about our expansion into the Net Zero Emissions market.

We’re incredibly proud of our roadmap for 2018, including the addition of new sensors to detect water leakage, understand building occupancy and our delivery of an improved (mobile) installation experience. Installation is an area that is prime for improvement and we have developed a new Buddy Ohm mobile application to guide the user through the installation process, making it a faster and simpler experience.

In pursuit of making Buddy Ohm as broadly compatible with as many buildings and utility/energy environments as possible, we will launch our interoperability program, “Works with Ohm”, that enables connectivity with third-party hardware including pulse water meters from Itron and EKM, Leviton electrical sub meters, leak detection strips from 3M and electrical circuit monitoring through Watt Watchers. We expect to continue expanding support for new sensors, meters and third party products with Works with Ohm over the course of time.

Finally, we were very pleased to announce Buddy Ohm’s contribution to the Carbon Neutrality and Net Zero Emissions movement. We will add capability into Buddy Ohm to measure and calculate carbon emissions, and then to automatically purchase Gold Standard carbon offsets – providing a holistic solution for measuring environmental impact, and using carbon offsets to reach defined goals. The Net Zero Emissions movement is being embraced by cities all over the world to meet the climate goals of the Paris Agreement. The goal to reach global emissions of ‘net zero’ by 2050 has opened up a significant market opportunity for Buddy to help buildings to better understand their energy consumption and take effective actions to reduce usage and optimise efficiencies.
If you missed the Buddy Connect 2018 event livestream, a recording of the event is now available for viewing here on the Company's website.

Summary
I am grateful to the entire Buddy team for their hard work, perseverance and commitment to the Company. They have continued to deliver results and drive the business forward in a very meaningful fashion, and I remain very pleased with how we're tracking this year.

I want to take this opportunity to thank shareholders for their continued support and I look forward to a fruitful 2018. We have a solid roadmap, excellent partners promoting our Ohm product worldwide, a strong outlook and a great product. I look forward to sharing our ongoing progress and achievements with you in the coming quarters—and most immediately, at the end of this month when we release our Q3FY18 4C Quarterly Report.

Sincerely,

David McLauchlan
CEO, Buddy Platform Limited.

About Buddy
Buddy Platform Limited (BUD.ASX) provides highly scalable Internet of Things data aggregation and management infrastructure by way of three unique offerings – Buddy Cloud, Buddy Ohm and Parse on Buddy. The Buddy Cloud offers smart city providers a globally scalable data ingestion and management platform. Buddy Ohm, a complete and low cost solution for facility resource monitoring and verification, connects systems that were never designed to work together, while turning energy savings into a strategic asset. Parse on Buddy is a mobile backend as a service (mBaaS) built on the world's most popular BaaS technology. Buddy Platform is headquartered in Adelaide, Australia, with offices in Seattle, Washington.

For more information, visit www.buddy.com.

###

Buddy Platform Contact:
Brian Seitz, VP of Marketing & Communications
Phone: +1 (206) 745-9079
Email: ir@buddy.com

Facebook | Twitter | LinkedIn | Vimeo