

Letter to Shareholders : Melbourne, 23rd January 2020

Subject : The Age and The Sydney Morning Herald Articles

Dear Shareholder,

As you may be aware there is an article in today's Age and Sydney Morning Herald claiming a "link" between iSignthis and Union Standard International Group (USGFX) which is currently under investigation by the Australian Securities and Investment Commission (ASIC).

I wish to clarify that there is no "link" between our company and USGFX. We do not have any agreements with this group, nor have we provided any services. We have provided services as a customer to an authorised sub-entity, which has entirely separate directors and shareholders from USGFX.

We have never done business with the USGFX entity that is currently under ASIC investigation.

ASIC is the regulator for all Australian Financial Services License holding entities, not iSignthis. Any issues or concerns regarding the regulation of these entities should be addressed to them.

AFSL holders are serviced by an ecosystem that includes banks, lawyers, and accountants, all of whom possess information related to the business activity of the AFSL to a level of detail that iSignthis does not have access to. iSignthis is a part of that ecosystem, that relies upon the Australian regulatory and legal framework.

Had it actually been the case that we conducted business with USGFX (which we have not at any time), it would have been as a direct consequence of us relying on the fact that ASIC issued them a license under the regulatory framework that it supervises.

iSignthis provides payment processing services between a cardholder and merchant. In some cases, we provide identity verification services of end customers. We do not monitor what goods or services are sold by the merchants, anymore than any other payment service providers does.

The identification and verification of our merchant's customer, that is the cardholder, is solely to ensure that they are the authorised holder of the card presented. We aim to confirm that the person accessing a regulated service is in fact entitled to do so, including age-check to ensure age restrictions are applied, and that the customer has been properly identified to anti-money laundering requirements.

Yours faithfully (and authorised by)



N J Karantzis,

Managing Director