ASX ANNOUNCEMENT
17 July 2017

JUNE 2017 QUARTERLY OPERATIONAL UPDATE: RECORD QUARTER AND STRONGEST CUSTOMER GROWTH SINCE IPO

ChimpChange Limited (ASX: CCA) ("ChimpChange", or the "Company"), Australia's only listed digital banking platform, is pleased to present its June 2017 quarterly report on business progress.

INVESTMENT HIGHLIGHTS

- Strongest customer growth during the quarter of 30,811, with 48,990 new customers added during the half
- 100,000th new customer since IPO acquired during July
- Another record level of quarter-on-quarter (QoQ) growth across key metrics: Transaction Volume ("TTV"), Customer Deposits, Customer Spend and Revenue all to new highs
- June quarter revenue up 36% QoQ and up 336% from PCP
- Annualised TTV of US$113 million (A$149 million) up from US$56 million (A$74 million) in first half
- Annualised revenue run-rate exceeded A$1m during the quarter
- Well funded from recent capital raising
- Successful launch of new Round-Up savings account feature set to boost engagement and support accelerating customer acquisition
- Internal processing capability nearing completion which is expected to deliver improved costs and faster to market innovation of future products
- Positive start for July and a strong quarter across all metrics is expected to continue

Twelve months ago it took us the entire month of June 2016 to achieve US$600,000 in deposits, on 30 June 2017 we achieved US$600,000 in deposits in 1 day.

Record customer growth through the addition of Round-Ups Savings feature
The Company continued to deliver strong growth across all areas of its business and across all key business metrics.

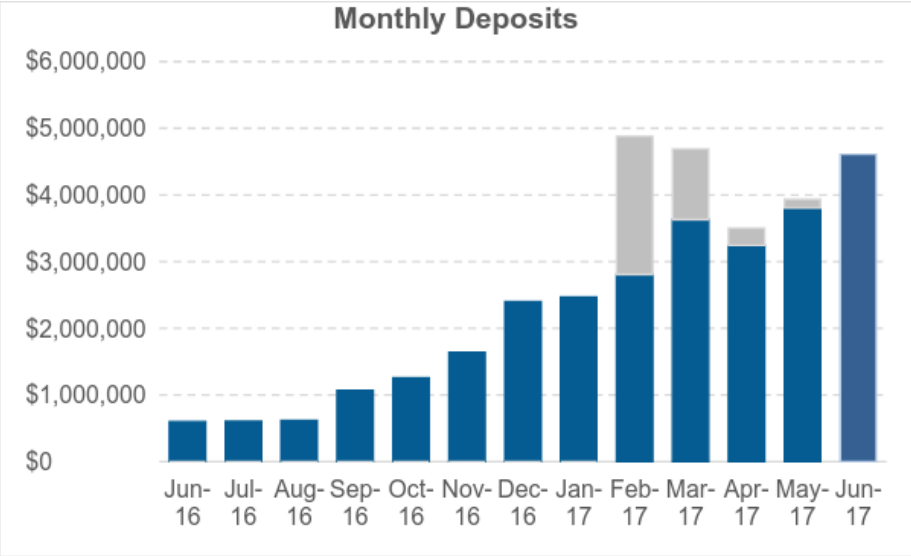
As stated in the March quarterly report, the Company anticipated that new features launched during the June quarter would act as catalysts to achieve the acquisition

of at least 25,000 new customers and continue to drive underlying growth across all key metrics.

The Company is pleased to announce that ChimpChange has set a new record for quarterly customer acquisition since the June 2016 IPO, acquiring 30,811 new banking customers in the quarter taking new customers for the June half to 48,990 an increase of 21% on the first half of 40,442.

Key metrics including customer deposits, new customers, customer spend, and revenue on the ChimpChange MasterCard all grew ahead of forecast and delivered company-wide records during the quarter.

The record June quarter followed a March quarter that enjoyed a seasonal boost in deposits in the form of tax refund inflows which we expect to be replicated each year during the March quarter. This indicates a strong underlying current of core growth in customers and deposits after seasonal adjustment. To track normalised underlying growth on the platform when excluding the benefit of tax loads during the quarter, underlying quarter-on-quarter (QoQ) growth was 33%.



Furthermore, the table below highlights the breadth and consistency of ChimpChange's growth without adjusting for seasonality from tax refund inflows.

	Three Months Ended (USD)				Change
Metric	**30 June 2017**	**31 Mar 2017**	**31 Dec 2016**	**30 Sept 2016**	**PCP% Growth[1]**
Transaction Volume	$25,028,627	$23,906,550	$10,536,894	$4,486,805	518%
Deposits	$12,260,318	$12,039,570	$5,294,705	$2,294,603	540%
Purchases	$8,711,695	$8,104,894	$3,690,271	$1,475,589	699%
Revenue	$183,000	$140,000	$69,000	$28,600	517%

Note: 1. Prior Corresponding Period Comparison (Quarter ended 30 Jun 2016)

Ash Shilkin, Founder and Managing Director of ChimpChange, stated:

"Our mission in building the ChimpChange banking platform has been to provide an experience that drives value to customers and in doing so reap value for our shareholders.

"As we continue to build out a robust digital platform packed with innovative features our customers love, we are tremendously gratified that our investments are translating into increased customer acquisitions, increased adoption, and higher usage per active adopter.

"We believe that the number of people choosing to bank with ChimpChange and trust our platform with their daily banking needs validates our investment and value proposition to both our customers and stakeholders. The key for our Company now is to continue to scale.

"The March quarter set a high bar for the Company to exceed, as a large proportion of our customers deposited significant amounts of tax refund cash into their ChimpChange accounts. This quarter, we saw incredible adoption of our newly-released Round-Ups savings account feature.

"The common thread we see is that we are continuing to build customer trust and a solid base of transactional bank account holders. This helps to position ChimpChange for even faster growth when the Company starts to offer higher-margin financial products to a larger customer base. As we accelerate ChimpChange's customer acquisition ramp-up on this base, we continue to lay a solid foundation for future growth.

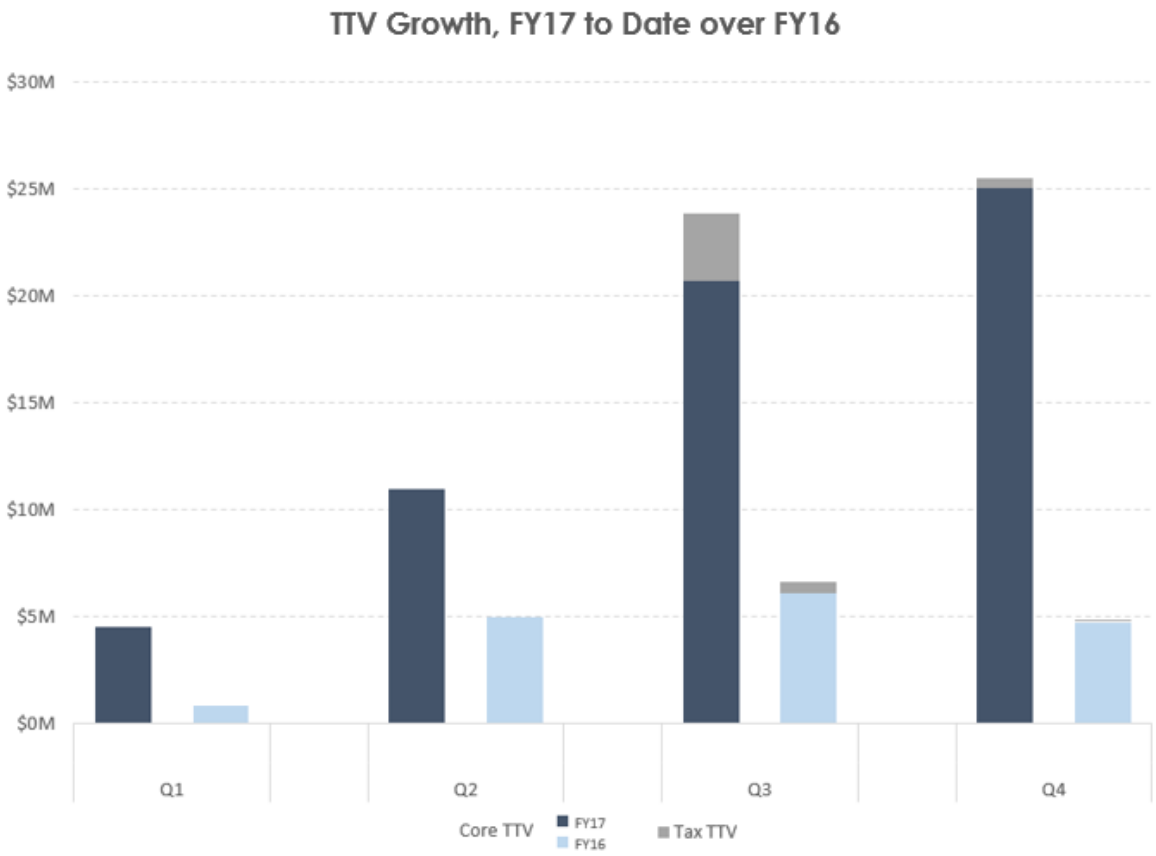
"I continue to be encouraged by the traction we are achieving in the market as we roll out our development pipeline for FY18. Banking customers and investors alike are showing a growing interest in millennial-focused FinTech products and companies, and ChimpChange is proud to continue changing banking for the better."

KEY METRIC ANALYSIS

Growth in Total Transaction Volume (TTV)

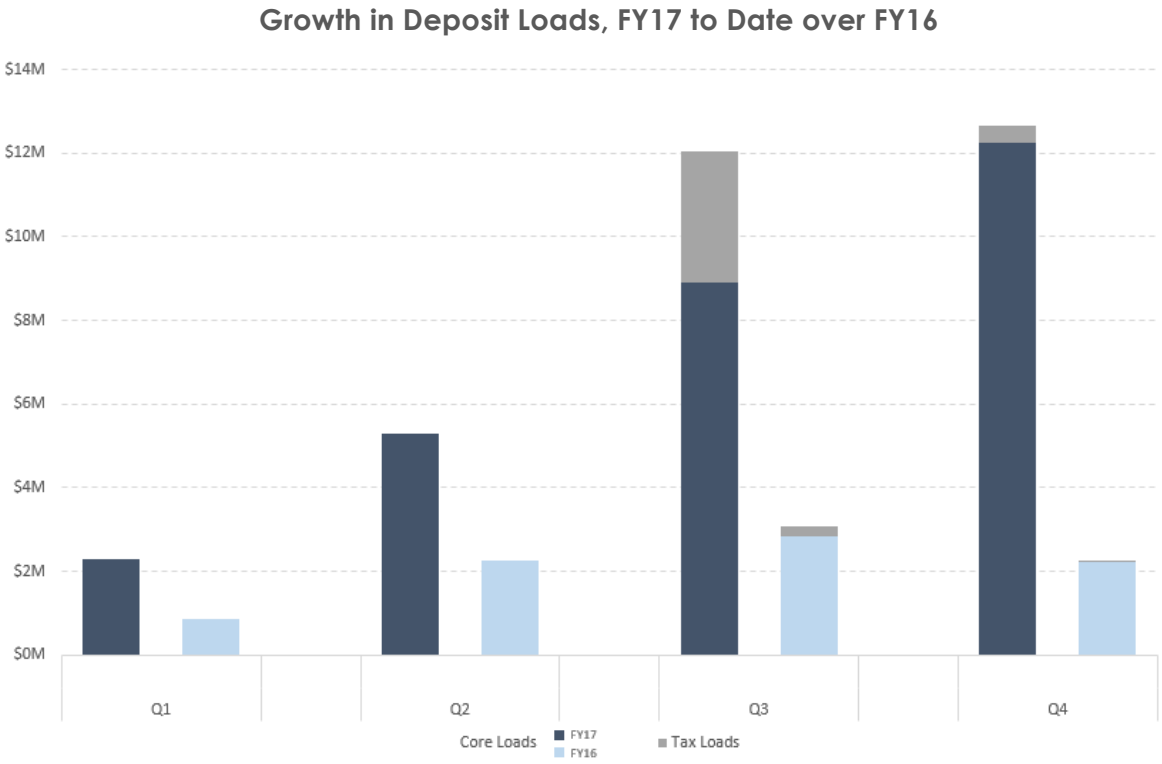
Total Transaction Volume, which represents the movement of gross customer funds within our banking platform, grew by 5% QoQ to US$25.1 million (A$33.0 million[1]). To achieve a single percentage gain from the prior quarter, the core transaction volume had to grow at a pace greater than the impact of the tax loads in the prior quarter. When normalising the impact of tax loads from the prior quarter, Q4 increased by over 18% QoQ.

The charts below show ChimpChange's strong recent momentum in building transactional scale.



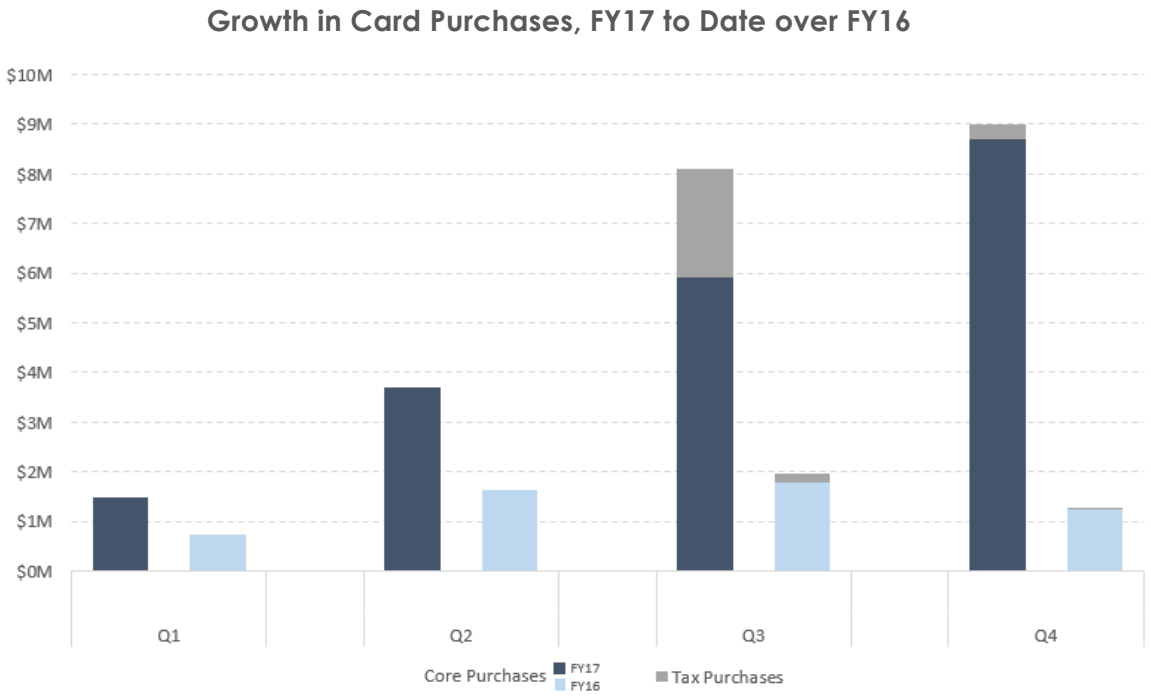
Growth in Customer Deposits

Customer deposits for the quarter grew by 2% to US$12.3 million (A$16.2 million[1]). As the chart below illustrates, the underlying core deposits are increasing, demonstrating a 38% increase QoQ.



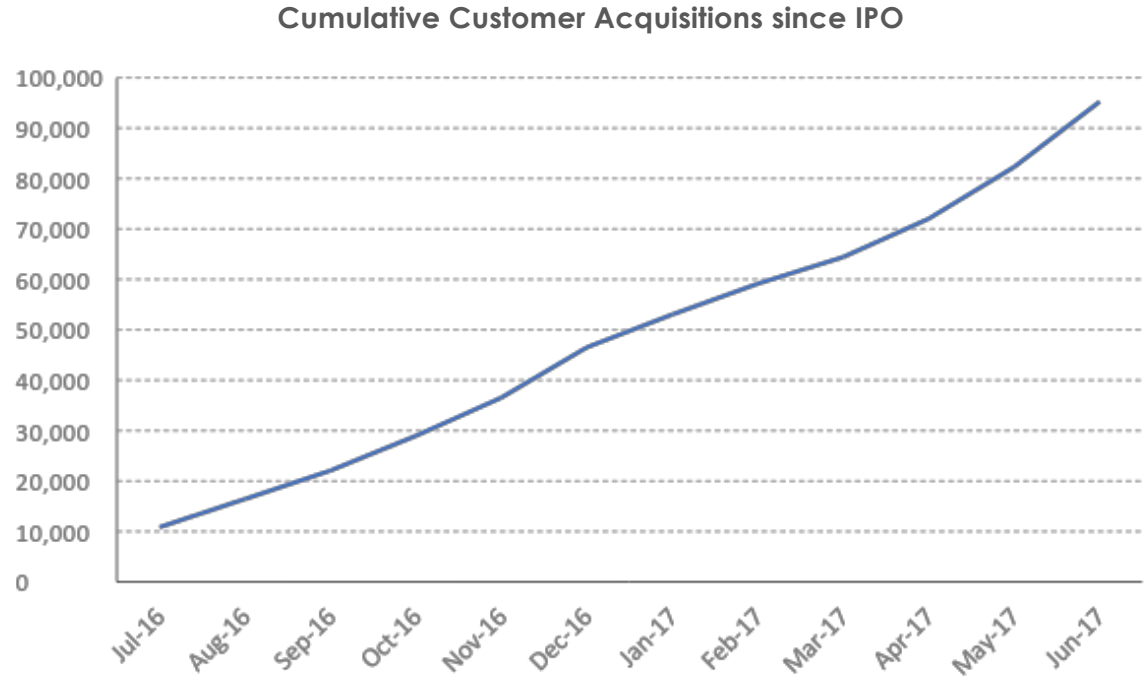
Growth in Customer Card Purchases

Customer Card Purchases increased quarter-on-quarter by 8% to US$8.7 million (A$11.4 million[1]). As the chart below illustrates, the underlying core deposits are increasing, demonstrating a 42% increase QoQ.



Customer acquisition and activity

ChimpChange is pleased to report that in the fourth quarter of FY17, the Company set another record quarter in acquiring customers, attracting over 30,800 new customers.



Beginning in late May, the Company accelerated its customer acquisition campaign by broadening the digital channels to acquire new customers.

Since ChimpChange's June 2016 IPO, Facebook has accounted for more than 56% of customer acquisitions. However, with the inclusion of Google's Universal App Campaign channel ("UAC"), this has recently become the lead channel for acquisition at 47%, while Facebook represents 24%. ChimpChange continues to test and identify the appropriate channels to acquire the highest value customers.

Revenues

The Company continued to grow revenues during the quarter which are earned when customers spend with their ChimpChange debit cards or withdraw cash from out of network ATMs. During the quarter ChimpChange exceeded annualized revenues of A$1 million from a customer base that is yet to benefit from the majority of new customers added during the month due to the time lag from opening account, through to having their debit card issued and first deposit made.

Direct payroll deposits continued to be added during the month which is a positive leading indicator of increasing deposits and customer activity which drive revenues.

During the quarter, the Company launched a revamped website with enhanced branding, information, and design. Since relaunch the Company has been attracting more than 120 new organic customers each week.

On the heels of the release of the Round-Ups savings feature and the additional channels outlined above, ChimpChange attracted nearly 13,000 new users in June alone.

Mr Shilkin commented:

"In the months after ChimpChange's IPO, the Company focused on optimising the customer adoption funnel. We have done this by providing an enhanced user experience through new features and better communication. As we have analysed our customers' behavioral data with each enhancement to the ChimpChange platform, Q4 has marked the beginning of a new focus on accelerating customer acquisition.

"In addition to adding new customers, ChimpChange is dedicated to constantly improving the service we provide, and I am immensely proud that the Company recently won two prestigious 'Best in Category' Pay Awards, for 'Consumer Champion' and 'Best Mobile App'. Our employees work tirelessly to ensure we provide the best possible service to our clients, and our recent Pay Awards, voted on by everyday users, confirm that our efforts are being recognized by the market.

"We continue to seek partnerships and strategic growth opportunities to accelerate growth in shareholder value."

Outlook

We commence the new financial year with significant momentum. In addition, we are well funded from the recent capital raising where new institutional shareholders were added to achieve significant transactional milestones in the upcoming fiscal year. During the next quarter, we will continue marketing efforts to aggressively acquire customers around new features and promotions. During the quarter, we will

broaden the launch of the bank to bank transfer through the ACH network enabling customers to move more funds into their spending account. Through our set of innovative features, we acquired our 100,000th customer in July on our way to targeting 30,000 new customers for the quarter. The Company continues to innovate on marketing campaigns that will drive viral adoption. This includes a new take on the popular referral campaign we launched with in our beta in 2015. We are excited to launch the Refer a Friend 2.0 which will focus on acquiring highly active customers through our best customers. Utilising the foundation of features we've built, in coordination with enhancing targeting of customers, the Company is confident in continuing to see growth in higher adoption rates, increased transactional activity, and lower customer acquisition costs. We expect to translate that growth with continued revenue growth.

Cash at the end of the June quarter was **US$9.45 million** (A$12.44 million[1]).

All financial figures in the following Appendix 4C are denominated in U.S. dollars, unless stated otherwise.

[1]Based on a Quarter-end USD/AUD of $0.76

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About ChimpChange

ChimpChange Limited (ASX: CCA) is Australia's only listed digital banking platform. The Company offers consumers secure, low-cost, feature-rich bank accounts. Based in Los Angeles, California, ChimpChange delivers a better way to bank with two key value propositions to customers.

Firstly, it makes free retail banking available to tens of millions of Americans who typically pay monthly fees and overdraft fees to have a bank account. Secondly, the Company provides money management tools to help customers better understand how they spend their money, and save their money. The Company also offers real-time mobile cheque deposit and instant person to person payments.

All funds on deposit are held with a federally regulated FDIC-insured bank in the USA.