



Reverse Corp Limited
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COMPANY ANNOUNCEMENT

24 November 2011

Reverse Corp Limited - Market Update

Reverse Corp Limited (ASX: REF) advises that based on interim unaudited management financial statements it expects EBITDA (earnings before interest, tax, depreciation & amortisation) to be between \$0.2 million and \$0.3 million for the half-year ending 31 December 2011.

The anticipated result reflects:

- Overall call volume increases lead by growing reverse charge calls to mobile phones partially offset by reducing calls to fixed lines
- Investment in marketing and promotions to support expanded product features and grow market share in Australia and the United Kingdom
- Technical trial costs in New Zealand
- Reduced payphone usage
- A strong Australian dollar negatively impacting the translation of offshore earnings

As previously announced, Reverse Corp has finalised negotiations with Telstra Corporation for its Australian Reverse Charge Services Facilitation Agreement. In addition to renewed billing to Telstra fixed lines for up to 5 years, further benefits negotiated include allowing Telstra mobile customers to make and receive 1800-Reverse calls. These calls are anticipated to commence in early December 2011 and are expected to generate strong growth in Australian call volumes. Reverse Corp will also manage Telstra's reverse charge products on the 1800-Reverse platform.

Discussions are progressing with the remaining major Australian mobile service provider to further extend access to the 1800-Reverse service.

Internationally, operational efficiencies are being pursued in Ireland to allow promotion of the Company's business there. The Company's New Zealand business has been put on hold while a new carriage solution and pricing structure are implemented. Lastly, after receiving support from the telecommunications regulator, progress is being made towards trialling a service in Spain.

The impact of new agreements together with marketing and product initiatives are, subject to there being no material change in exchange rates and trading conditions, expected to drive growth in earnings in the second half of this financial year and beyond.

The Company continues to assess further opportunities, including geographic expansion, in order to leverage its strong brand recognition, proven service platform, and experienced products team.

By Order of the Board

Dion Soich
Company Secretary