

Original Message

Subject: CONFIRMATION OF PREVIOUS DUE DILIGENCE ON WEBTEL.MOBI (HOLDINGS) LIMITED

Date: 2016-01-25 23:55

From: David Smith

To: Stuart Sterzel

Dear Stuart

Regarding the abovementioned, and your request for confirmation, I provide the following:

1. As a senior partner in the London office of Fasken Martineau LLP, I led a team of six experienced English business lawyers who over a period of several months carried out a rigorous due diligence exercise into the legal aspects of the business operations of Webtel.mobi (Holdings) Limited (hereinafter "WM" or the "Company"), in the course of which we engaged on specific matters law firms in the UK, Guernsey, Germany, Hong Kong and South Africa.
2. The aim and purpose of the legal due diligence was to robustly examine all aspects of the Company and its business thoroughly, as part of a process to confirm compliance with applicable laws and regulations.
3. Given the specialist nature of WM's business and its global reach, the team at Fasken Martineau, engaged lawyers in several other highly regarded law firms, who also participated in this due diligence exercise. The full complement of legal firms that had teams participating in this due diligence exercise was as follows:
 - a. Fasken Martineau LLP (London)
 - b. Fasken Martineau DuMoulin (South Africa)
 - c. Mourant Ozannes (Guernsey)
 - d. SKW Schwarz (Germany)
 - e. Bates Wells Braithwaite (UK)

Stephenson Harwood (Hong Kong) were also engaged to advise WM on a limited retainer.

4. Other than the above, and although not forming part of Fasken Martineau's brief, my team also received and reviewed a copy of the due diligence report detailing the positive results of the physical and documentary due diligence on all IT and technical matters, which was carried out by a sector-leading firm from London.
5. Similarly a detailed regulatory report was obtained from one of the world's leading telecommunications consultancy firms (Frost & Sullivan's Global ICT Practice) in respect of international regulation as it applied to WM's business.
6. I am also aware having been informed by you and having seen a copy of their report, that WM further appointed CMS Cameron McKenna in its capacity as an expert telecommunications counsel to conduct an additional due diligence review, as the senior telecommunications partner there had recently joined them from one of the UK's senior regulatory organisations (OFCOM).
7. The business sectors examined in respect of this thorough legal due diligence exercise, which continued for over six months, included detailed investigations of legal and regulatory compliance in the following business, commercial and regulatory sectors:
 - a. Legal.
 - b. Regulatory.
 - c. Jurisdictional.

- d. International operations.
- e. Organisational.
- f. Corporate Governance.
- g. Management.
- h. Regulatory authorisations and licences.
- i. Contractual (including areas such as the contractual matrix supporting WM's particular business model, service delivery, e-commerce, international payment arrangements and payment gateway).
- k. Intellectual Property ownership, including trade marks.
- l. IT and Technical.
- m. Internet.
- n. Personnel.
- o. Insurances.
- p. Competition.

The conclusion of the legal due diligence – which was one of the most thorough that I have engaged in over a 30 year career – was satisfactory to the extent that Fasken Martineau was happy to arrange for delivery to the United Kingdom Listing Authority (UKLA) of WM's application for confirmation of WM's eligibility for a listing on the Main Board of the London Stock Exchange

You did of course subsequently confirm to me that the UKLA had confirmed WM's eligibility to apply to list on the Main Board of the London Stock Exchange if it had elected to do so. Passing the UKLA's eligibility for listing test is a significant achievement and an indication of the professional and thorough way in which WM's affairs had been structured.

As you know, I have recently moved from Fasken Martineau LLP to become a partner in the Capital Markets team at Druces LLP. Therefore, for any further queries in respect of this matter, please use the contact details below to reach me.

Kind regards.

David

David Smith

Partner

For and on behalf of Druces LLP

DDI: [REDACTED]

Mobile: [REDACTED]