



Press Release Scale Investment in Paloma – Embargoed until 10pm 29th January

Scale, the female focused Angel investor network launched last July, has closed its first deal. Fifteen Scale Angels have invested \$655k in Paloma Mobile as part of a \$1m capital raising.

Series A investors OneVentures and Roger Allen also followed on their initial investment in this round confirming their confidence in the Paloma team and value proposition.

Paloma Mobile has developed a cloud-based technology platform that enables rich-media services to be delivered to mass-market smartphones even when these devices are running on low-speed (2G) networks. There are expected to be more than 1 billion entry level smartphones users by 2016.

Paloma's first product, Photo Chat, is a photo sharing application with text and voice notes and is less than a tenth of the download size of Instagram, Facebook and WhatsApp. The focus on the data efficiency of the Photo Chat application enables it to work reliably "on the street" even on slow and low quality networks.

Photo Chat's customers are mobile network operators, primarily in emerging markets including the Philippines and Indonesia, one of the "MINT" countries identified as emerging economic giants who benefit from big and growing populations with an increasing number of young workers and favourable geographic locations.

The funds will be used to enhance the Australian based development team and to market Photo Chat globally.

Jennifer Zanich, Paloma Co-Founder and Executive Chairman, has successfully commercialised, grown and sold a number of technology businesses in the past. Zanich prefers to raise funding from people that she knows, so after hearing about female focused network over lunch with Scale CEO, Laura McKenzie, Zanich decided to seek funding for her fifth start up from Scale. "Scale Angels is a very impressive organisation. This is exemplified by the calibre of women involved, the networks they provide and the timeframes they committed to". The deal closed two months after Paloma presented.

Deena Shiff will represent Scale on the Paloma board, joining Anne-Marie Birkill (representing OneVentures), Roger Allen and the Founders. A long serving Telstra senior executive, Deena, who resigned as head of the in house venture capital team last year, said "I'm looking forward to supporting the Paloma team, as they adapt telco applications we take for granted in developed markets, to the particular conditions of emerging markets."

Mary Beth Bauer, a professional Company Director, led the deal on behalf of Scale Angels, and is an observer on the Paloma board. She said "Its been a very rewarding exercise, working through the due diligence with other Scale Angels. The collaboration and skills we had on the team, and the global network we brought to the table allowed us to complete a thorough diligence in a very short time." Mary Beth is one of a growing number of individual investors joining angel groups in order to benefit from better deal flow, superior evaluation and due diligence of investment opportunities, social interaction and learning from others' perspectives.

Carol Schwartz, a founding director of Scale, says "Jennifer is a fantastic example of an experienced female business leader making her mark in technological innovation."

Scale CEO, Laura McKenzie, is excited about the amazing traction Scale has had in its first six months. "Already Scale has almost doubled the number of prominent, educated women bringing their energy, talent, contacts and abilities to be mentors and spokespeople to the early stage investment market. We believe Scale is a critical part of the solution to the significant obstacles female entrepreneurs face compared to their male counterparts in securing access to capital, reaching markets and accessing networks."

Inspired by US based Golden Seeds, and with support from the Victorian Government, Scale was founded by Susan Oliver, Carol Schwartz and Annette Kimmitt last year. After attracting 34 Angel investors in Melbourne, Scale plans to recruit Angels in Sydney during 2014.

For more information please contact Laura McKenzie on 03 9653 5314 or 0432 324 324 or visit www.scaleinvestors.com.au