

9 March 2016

Lodged by ASX Online

The Manager
Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney, NSW 2000

Successful Asian Production Underway

TZ Limited ("TZ" or the "Company") is pleased to advise that we are now in full scale production of TZ Radial Smart Locking Devices at our China based contract manufacturer. The first 1,000 production units are off the assembly line and sitting in inventory, waiting to be packaged and shipped to fulfil existing sales orders. Production will continue to operate to meet a monthly production volume expectation of 5,000 units per month. The new production units meet TZ's QA criteria and have UL (safety) certification suitable for US commercial distribution.

The transition of manufacturing to Asian based supply has been a major initiative for the Company. When the Company first launched its IXP and PAD products back in 2010 it was difficult to attract volume contract manufacturers in Asia as the Company was starting from a zero base of sales with no ability to forecast demand. With the Company now outgrowing its US manufacturing supply chain, the establishment of a primary and scalable large volume production capability out of Asia is a critical enabler to support the growth projections of the Company.

The migration to Asian production has provided the Company the opportunity to streamline production processes, improve QA systems and apply design changes to further enhance the performance of the current product. Most importantly the new devices offer a greater than 50% reduction in cost over current US supply.

About TZ Limited

TZ Limited ("TZ") is a technology company that is listed on the Australian Stock Exchange. TZ is the leader in SMARt Device™ technology combining state-of-the-art SMA actuated intelligent fastening and locking devices with TZ remote software control. TZ's systems deliver asset level protection and compelling solutions for security, monitoring and control applications across a number of market segments. The Company currently supplies market leading solutions to major corporations worldwide to the Data Centre industry and in the Automated Parcel Locker and E-Commerce market.

For additional information on TZ Limited, please visit www.tz.net

For personal use only