



Elephant Talk Announces MOU Agreement With Cleartech in Brazil

LONDON-- Elephant Talk Communications, Inc. (OTC.BB:[ETAK](http://www.elephanttalk.com)) (www.elephanttalk.com), an international provider of business software and services to the telecommunications and financial services industries, today announced that the company has signed a Memorandum of Understanding (MOU) agreement with Cleartech to become its Mobile Virtual Network Enabler (MVNE) partner in Brazil. Elephant Talk will provide infrastructure services to the growing marketplace of Mobile Virtual Network Operators (MVNOs) and their end-user customers. Cleartech, a joint-venture by the leading Brazilian IT companies EDS, CPqD and DBA Engenharia, is a clearinghouse of telecom companies that manages interconnections and services shared by telecom operators in the country, which has a mobile penetration that recently reached 100 percent in a population of about 200 million people.

"With the recent approval of the MVNO regulation by the Brazilian regulator Anatel, the last barrier for MVNOs to enter the market has been removed," stated Steven van der Velden, Chairman and CEO of Elephant Talk. "The partnership comes at an extremely opportune time, as many large companies in Brazil, such as banks and financial institutions, retail chains, media companies, and alternative carriers are now assessing their opportunities to enter the market as an MVNO. Many new MVNO market entrants from abroad are also expected to enter the Brazilian market to obtain a part of this highly potential business."

Brazil is estimated to be among the fastest growing emerging global economies and is considered to be one of the largest potential MVNO markets. Experts believe the Brazilian MVNO market has the potential to grow to between 20 and 50 million mobile clients in a 10-year-period. Elephant Talk and its established local partner Cleartech plan to leverage its strengths in IT and software services to obtain substantial market share in the evolving Brazilian market. The strategic partnership with Cleartech is important to Elephant Talk's vision of deploying its next-generation mobile telecom platform to approximately 7 to 10 countries by year end of 2012. Elephant Talk is already established in Spain, Belgium and The Netherlands. The Cleartech partnership allows for ETAK's previous European MVNO clients to expand into the emerging Brazilian market.

"Elephant Talk's MVNE platform is an integrated system that is cost-effective, and flexible to operate, that will enable Cleartech's telecom operators to connect and unlock enormous possibilities," explained Martin Zuurbier, Chief Technical Officer of Elephant Talk. "Now the required radio access will be arranged by our leading-edge full convergent mobile platform with all mobile systems required, such as HLR, SMSC, MMSC, GMSC, STP, GGSN, SGSN. There will be integration of all of these aspects to the fullest extent with banks, media and payment systems to support all 4G services." Elephant Talk's technology reduces over 20 telecommunication systems to just one platform for all MVNE/MVNO process domain areas. The software provides the ability in Brazil to use the combination of Elephant Talk's unique product portfolio that includes value-added ValidSoft technology in the battle field of credit card, fraud security and voice biometrics. ValidSoft, Inc. (www.validsoft.com), a subsidiary of Elephant Talk, is a market leader in providing authentication and transaction verification solutions to counter electronic fraud relating to card, internet, and telephone channels. ValidSoft is the first security software company to be granted the rigorous European Privacy Seal, and has also proven compliance in the U.S., Hong Kong, Singapore, Australia and Mexico.

Marcos Bellotti, Business and Regulatory Director for Cleartech, the leading Brazilian Business Process Outsourcing (BPO) service model for Call Data Records (CDR), and one of the largest in the

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world, stated, "Cleartech is very proud to partner with ET. This partnership allows us to continue providing the Brazilian market with world class services. With our Telecom and Business experience in Brazil together with Elephant Talk's experience in the MVNO domain, we are certain we have the best platform for our customers with a flexible business model and strong competitive advantages."

About Cleartech

Cleartech is a joint-venture created in 2000 by the leading Brazilian IT companies EDS, CPqD and DBA Engenharia. It plays the role as a clearinghouse of telecom companies in Brazil and manages interconnections and services shared by telecom operators in Brazil.

Cleartech is the Brazilian leader in Business Process Outsourcing (BPO) service models that involve Call Data Records (CDR) treatment and analysis. It is also one of the largest in the world in terms of volume and processing capacity in this field.

Cleartech services are divided into suites that allow for Interconnection Management, Co-Billing Management, and Inter-Operator and Inter-System Conciliation Management for the same operator, as well as support for Revenue Guarantee actions.

Cleartech also works with consulting services for different IT and telecom fields, giving its clients more security in implementing new systems and implementing critical mission business processes. In 2007, Cleartech was chosen by ABR- Associação Brasileira de Recursos em Telecomunicações (Brazilian Association for Telecommunications Resources) to operate the Portability Data Base in Brazil, a resource that allows every user of fixed or mobile telephones the right to keep their telephone number when they decide to change their service provider.

Cleartech's multi-tasking professional team is deeply knowledgeable in telecommunications business, in the technologies that support the business and Brazilian regulations and is prepared to allow its clients precision and efficiency in managing the critical mission areas inherent to the Service Providers' business.

About Elephant Talk Communications

Elephant Talk Communications, Inc. (OTC.BB:[ETAK - News](#)) is an international provider of business software and services to the telecommunications and financial services industry. The company enables both mobile carriers and virtual operators to offer a full suite of products, delivery platforms, support services, superior industry expertise and high quality customer service without substantial upfront investments from clients. Elephant Talk provides global telecommunication companies, mobile network operators, banks, supermarkets, consumer product companies, media firms, and other businesses a full suite of products and services that enables them to fully provide telecom services as part of their business offerings. The company offers various dynamic products that include remote health care, credit card fraud prevention, mobile internet ID security, multi-country discounted phone services, loyalty management services, and a whole range of other emerging customized mobile services. For more information visit www.elephanttalk.com.

About ValidSoft

ValidSoft is a subsidiary of Elephant Talk Communications, Inc. (OTC.BB:[ETAK - News](#)), and is a market leader in providing solutions to counter electronic fraud relating to card, the internet, and telephone channels. ValidSoft's solutions are at the cutting edge of the market and are used to verify the authenticity of both consumers and institutions (Mutual Authentication), and the integrity of transactions (Transaction Verification) for the mass market, in a highly cost effective and secure manner, yet easy to use and intuitive. For more information please visit www.validsoft.com.



Forward-Looking Statements

Certain statements contained herein constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may include, without limitation, statements with respect to the Company's plans and objectives, projections, expectations and intentions. These forward-looking statements are based on current expectations, estimates and projections about the Company's industry, management's beliefs and certain assumptions made by management. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Because such statements involve risks and uncertainties, the actual results and performance of the Company may differ materially from the results expressed or implied by such forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Unless otherwise required by law, the Company also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made here. Additional information concerning certain risks and uncertainties that could cause actual results to differ materially from that projected or suggested is contained in the Company's filings with the Securities and Exchange Commission (SEC), copies of which are available from the SEC or may be obtained upon request from the Company.

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