

ASX Announcement

Wednesday 5th April 2017

US Market Update

- **Seasoned ad-tech Executive Cary Dunst appointed Adslot GM - North America**
- **Significant US/global publishers signed**
- **Boycotts and litigation underline the limitations of programmatic, highlight the value of Automated Guaranteed**

Seasoned ad-tech Executive Cary Dunst appointed GM - North America

(NEW YORK) Adslot, the leading innovator of digital media workflow and trading technology globally, today announced the appointment of Mr. Cary Dunst as General Manager for North America, based in the company's New York office.

As General Manager, Mr Dunst will be responsible for developing and driving Adslot's business strategy across the North American market. Additionally, he will have direct responsibility for sales and operations, while managing new and existing relationships with media agencies, advertisers, publishers, partners and other key stakeholders across the region.

Mr Dunst is a seasoned senior executive who has been in the tech sector for nearly 20 years, the last 10 focused on Martech (Marketing Technology), Data, and Analytics solutions. He has thrived in early-stage startups as well as global enterprises. Most recently Dunst was the Vice President of Sales - North America for Lotame, the leading independent data management platform used by marketers, agencies and publishers globally. In this role he spearheaded numerous initiatives such as implementing a sales forecasting methodology (MEDDIC), and created the company's Sales Development Representative (SDR) Program. Dunst was a key member of the Lotame team during a tremendous period of growth, helping to increase revenues 600% in 4 years of service.

Ian Lowe, Chief Executive Officer of Adslot said of Mr Dunst's appointment: "We are delighted to welcome Cary to Adslot's executive team as General Manager of North America. Cary joins Adslot at an exciting time as non programmatic trading technology moves into a meaningful position in the media trading toolset. A proven sales performer and experienced leader, Cary will have the autonomy to drive the US organisation forward and my strong support to do so. The combination of Cary's track record and cultural fit made him the outstanding candidate for the role."

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Mr Dunst said: "I'm very excited to take on the role of growing Adslot's US business, and to be part of such a passionate and pioneering company. As the advertising industry continues down a path of automation at scale, Adslot's technology is highly relevant, valuable and unique. We are well positioned to become the leading independent provider of Automated Guaranteed technology for agencies, advertisers and publishers alike and I look forward to contributing to the next phase of success."

Significant US/global publishers signed

The Company continues to sign market leading US, and US based global publishers.

This includes the likes of Conde Nast (publishers of Vogue, GQ, and Vanity Fair) and Hearst (publishers of Cosmopolitan, Marie Claire, Harper's Bazaar, and Esquire). Conde Nast and Hearst publish titles encompassing fashion, lifestyle, and health segments among others, and collectively account for a significant share of the leading fashion, lifestyle and consumer brand advertisers. The Internet Advertising Bureau (IAB) **Ad Spend by Industry 2016 Report** highlights the Retail and Consumer Goods categories represent 21.9% and 8.7% of the US digital advertising market respectively, which in 2017 is projected to spend more than USD \$25B in US alone across all forms of digital advertising.

Adslot have also signed premium Finance and Technology publishers such as Investing Channel and Ziff Davis. The same IAB **Ad Spend by Industry 2016 Report** states the Finance and Technology categories are projected to spend more than USD \$16B across all forms of digital advertising in US for 2017.

Adslot CEO, Ian Lowe said, "publishers of this calibre add further weight to the value proposition Adslot offers advertisers and the large media agencies that service them. It means Adslot is immediately relevant for any of the advertisers working with these premium publishers".

Boycotts and litigation underline the limitations of programmatic, highlight the value of Automated Guaranteed

Programmatic, or Real Time Bidding (RTB) enabled media trading continues to grow and now represents more than \$20B of the circa \$80B online display ad market. Programmatic technology also brings with it a range of transparency and brand safety issues for the advertiser and the publisher, including below average ad viewability, click fraud, data leakage, limits to advertiser brand safety and a lack of transparency.

Unresolved, the scale and cost of these issues has grown in line with the growth in ad spend channeled through programmatic technology. Recent weeks have seen an escalation of two issues in particular; the lack of transparency and brand safety.

Brand Safety

In March, significant advertisers and media buying groups pulled all ad spend from Google's YouTube due to their brands appearing alongside undesirable content. Media agency Havas suspended all buying on YouTube for its UK clients, with major US and global advertisers the likes of AT&T, Verizon, J&J and many others following suit shortly thereafter.

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Transparency

Also in March, leading UK publisher The Guardian confirmed they were preparing to file a lawsuit against programmatic ad tech company Rubicon Project, alleging the ad tech vendor did not disclose fees it levied on advertisers looking to buy the newspaper's online ad inventory. The Guardian stated "...we have commenced proceedings against Rubicon Project for the recovery of non-disclosed buyer fees in relation of Guardian inventory."

Advertiser boycotts and publisher litigation highlight not only waning confidence in programmatic trading, but the commercial significance of the issues associated with trading media this way (using RTB technology).

Adslot has pioneered the development of **Automated Guaranteed**, an alternate media trading technology which unlike programmatic connects a buyer directly with a seller. This direct connection removes any lack of transparency (Automated Guaranteed has no intermediaries whereas programmatic trading relies on multiple intermediary technologies), and offers the advertiser brand safety as they always know where their brand is being displayed.

The Company is seeing increased interest in its **Automated Guaranteed** capabilities as a result.

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About Adslot

Adslot's mission is to automate the trading of forward guaranteed display advertising, referred to as automated guaranteed. Our leading technology is a purpose built, global media trading platform. Adslot benefits a global community of media buyers and sellers, including media agencies, publishers and advertisers, by providing trading efficiencies and effectiveness made possible only via technology, and by doing so the basis on which the \$60B online display industry will realise its full growth potential.

Adslot is a global organisation with operations in North America, Europe and Asia Pacific and is headquartered in Australia.