

ASX Announcement

3 August 2018

Adslot Announces A\$3.5M Share Placement

Adslot Ltd (ASX:ADJ) (Adslot or Company) is pleased to announce the successful closing of a A\$3.5 million share placement (**Placement**) to new and existing institutional and sophisticated investors.

The Company's shares will recommence trading from market-open on Friday, 3 August 2018.

Placement details

The Placement involves the issue of 140,000,000 new, fully paid ordinary shares (**New Shares**) at \$0.025 per New Share (**Offer Price**) to raise \$3.5 million (before costs).

The Offer Price represents:

- a discount of approximately 3.8% to the \$0.026 closing price on 31 July 2018 (the last day of trading prior to the trading halt in connection with the Placement); and,
- parity with the Volume Weighted Average Price (VWAP) for the 5-day period immediately prior to 31 July 2018 (\$0.025).

The Placement will be conducted in two tranches. The first tranche (**Tranche 1**) comprising 118,000,000 New Shares at the Offer Price (\$2.95M) will be placed to sophisticated and institutional investors utilising the Company's 15% capacity under Listing Rule 7.1. Tranche 1 is expected to settle on Thursday, 9 August 2018 and the New Shares are expected to be issued and commence trading on Friday, 10 August 2018.

The second tranche (**Tranche 2**) of 22,000,000 New Shares at the Offer Price (\$0.55M) will be placed to related parties (being Directors Andrew Barlow and Andrew Dyer and related entities), subject to shareholder approval at a General Meeting to be held in mid-September 2018. Assuming Tranche 2 is approved by shareholders, New Shares are expected to be issued and commence trading shortly after the General Meeting.

New Shares issued under the Placement will rank equally with Adslot's existing ordinary shares on issue.

New Shares issued under the Placement will represent approximately 10.9% of Adslot's existing share capital. On completion of Tranche 2 (assuming Tranche 2 is approved, and assuming no further share issuances), the Company will have 1,428,006,269 ordinary shares on issue.

Use of funds

The Placement was undertaken to ensure continued support for the positive early momentum achieved with Adslot's new *Audience First* media trading platform in the US market, and the anticipated market deployments and growth in Symphony licence fees in FY19. Please see the Company's recent Trading Update and Investor Presentation released today for further information. The funds raised in the Placement will be applied to:

- support the continued product development and sales & marketing of Adslot Media;
- support the continued deployment of Symphony to new markets;
- strengthen the balance sheet; and
- provide additional working capital.

Adslot.

FY 2018 Guidance

In conjunction with announcing the Placement, the Company also provides the following guidance for FY2018:

- Trading Technology Revenue of \$5.2m, 4% lower than the prior corresponding period (**PCP**)
- Total Revenue and other Income of \$8.0m, 11% lower than PCP
- EBITDA loss of \$6.4m, 50% higher than PCP

The Directors note that the expected FY2018 results reflect a year of investment in both product research and development, and sales and marketing. Further, the Company's previously announced (February 2018) strategic review has resulted in a reduced cost structure and a more targeted business strategy.

The Company notes that the FY2018 guidance represents Board estimates only, based on information available at the date of this announcement, and that the Company's audit is yet to be concluded.

Investor presentation

Further information on the Company and the risks associated with an investment in Adslot can be found in the Investor Presentation also released today.

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Contact

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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 \$80B online display advertising 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.