

## OTHERLEVELS ESTABLISHES FUNDING FACILITY

**4<sup>th</sup> July 2017: OtherLevels Holdings Limited (ASX: OLV) (OtherLevels)** is pleased to announce that a syndicate of sophisticated and professional investors, led by the Chairman and the Managing Director (Brian Mitchell and Brendan O’Kane), has agreed to provide a loan facility of \$1.35m to give certainty in relation to working capital for the Company as it moves towards its goal of achieving positive operating cash flow.

The key details are as follows:

- A total loan facility of \$1.35 million, of which an aggregate amount of \$0.5 million has been provided by Brian Mitchell and Brendan O’Kane.
- The loan from the Directors is in addition to their existing unsecured facility (and will be on the same terms as the existing facility, pending shareholder approval), which has an outstanding balance of \$0.5 million. The existing facility will remain in place with any interest capitalised and will not be repaid until the new facility and associated interest is repaid;
- Interest rate of 16% per annum, paid monthly in advance;
- An establishment fee of 1% for all lenders except for the Directors, who have waived this fee;
- Loan facility term of two years ending 30 June 2019;
- Each lender is entitled to receive 750,000 options for each \$50,000 committed (with any issue to Directors subject to shareholder approval). The options have a strike price of \$0.04, which may be exercised on a 1:1 basis, and expiring on the date that is 12 months after repayment of the loan in full.

The Company will hold an Extraordinary General Meeting during August 2017, to seek shareholder approval for the two Directors to participate on the same terms as the other lenders for their new loan and for the issue of options. A notice of meeting will be issued shortly.

The Board, working with Lodge Partners, who have recently released an updated report on the Company, considered a number of funding options, but believe that the chosen option of a loan facility maximises flexibility, minimises costs and dilution, and is in the best interest of all shareholders.

OtherLevels’ Chairman, Brian Mitchell, commented “This funding provides a clear signal to the market that the strategy of growing sales and reducing costs continues to move us closer to positive operating cash flow, and these funds should ensure that the Company is adequately funded beyond that point”.

Managing Director, Brendan O’Kane, added “This has been a strong quarter. Despite being cyclically one of our two lowest quarters, cash receipts were approximately A\$1.5 million, which represents growth of 50% on the prior period in FY16. Over the past two months we have announced five new clients, and continue to have a growing and strong pipeline of prospects. We also continue to see expansion and upsell opportunities with our existing clients.”

The Company will provide a full operational update with the release of its quarterly report at the end of July.

- ENDS -

## Contacts

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## **About OtherLevels**

OtherLevels is a leading second-generation digital marketing platform with offices in San Francisco, London, Brisbane and Melbourne. OtherLevels is at the forefront of the enterprise marketing transformation being driven by the massive shift to mobile.

The OtherLevels digital marketing platform enables marketers to engage and retain their audience across desktop, mobile web and apps. For more information, please visit <http://otherlevels.com>, OtherLevels Holdings Limited ACN 603 987 266.