



13 August 2018

The Manager
Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**ONEMARKET LIMITED (ASX: OMN)
ONEMARKET LIMITED – ARBITRATION DECISION ISSUED REGARDING 12
DIGIT CONTINGENT CONSIDERATION**

Background

As noted in the Demerger Booklet, under the terms of the agreement (**12 Digit Acquisition Agreement**) under which OneMarket acquired 12 Digit Marketing, Inc. (**12 Digit**), the former stockholders and certain former employees of 12 Digit have the right to receive additional contingent consideration if certain financial targets are achieved. The amount of contingent consideration payable, if any, is calculated at the end of each of the calendar years 2017 to 2020 based on gross revenue (for 2017) and after tax profit (for 2018, 2019 and 2020) of the 12 Digit business, as defined in the 12 Digit Acquisition Agreement. Under no circumstances can the aggregate additional consideration payable pursuant to the 12 Digit Acquisition Agreement exceed US\$85 million.

The 12 Digit Acquisition Agreement gives certain former stockholders the right to propose a modification to the contingent consideration calculation if they believe in good faith that any changes to the annual budget or the operation of 12 Digit by OneMarket will materially and adversely impact the ability of the former stockholders to earn the contingent consideration.

In January 2018 the former 12 Digit stockholders notified OneMarket of their belief that certain changes have occurred in the operation of the 12 Digit business since its acquisition in February 2017 that could materially and adversely impact the ability of the former stockholders to earn the contingent consideration. Following meetings between OneMarket and the former stockholders of 12 Digit and an attempt to resolve the dispute by mediation, the former 12 Digit stockholders submitted the dispute to arbitration. The arbitration was held in San Francisco in June 2018.

Arbitration decision

The arbitrator has delivered her decision in respect of the dispute with the former stockholders of 12 Digit.



In an Interim Award issued on August 10, 2018, the arbitrator held the former 12 Digit stockholders were not entitled to modifications of the contingent consideration calculations in the 12 Digit Acquisition Agreement. The parties have seven calendar days from service of the Interim Award to request any corrections for computational, typographical or other similar error. The arbitrator will determine whether any such requested corrections to the Interim Award are necessary and then issue a Final Award incorporating the contents of the Interim Award.

The 12 Digit Acquisition Agreement provides that such arbitration can occur only once per year during the term for the calculation of the contingent consideration and will be the sole and exclusive remedy for the resolution of any conflicts concerning any modification to the contingent payment terms.

Yours faithfully
ONEMARKET LIMITED

A handwritten signature in blue ink, appearing to read "Simon Tuxen", with a small blue dot at the end of the signature.

Simon Tuxen
Company Secretary