

ASX Code: FDV

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Frontier increases stake in leading Central American online classifieds investment

- **Frontier intends to exercise its option to increase its ownership of online classifieds leader Encuentra24.com AG from 34.9% to 38.7%**
- **Encuentra24.com AG has exceeded all key performance indicators since Frontier's initial investment in April 2015**
- **Encuentra24.com AG is currently the leading revenue generator in Frontier's portfolio with expected annual revenue to 31 December 2016 of approximately A\$5 million**

Frontier Digital Ventures Limited ("FDV") is pleased to announce that it will exercise its option to subscribe for new shares in Encuentra24.com AG ("E24") the leading online classifieds portal in Central America, increasing its ownership from 34.9% to 38.7% for a milestone payment of US\$933,333, as agreed in April 2015. The payment will be made by FDV this month.

The option is being exercised on the basis of E24 continuing to exceed key performance indicators, which include growth in advertisers, listings, monthly site visits, revenue and EBITDA.

FDV continues to hold a valuable option to subscribe for further new shares in E24 by 2 April 2017. An additional payment of US\$1,051,095 would increase FDV's ownership to 42.1%.

FDV's CEO and Founder, Shaun Di Gregorio said: *"This investment highlights the value of the call options we hold in several of our portfolio companies. The options will be exercised based on the continued successful execution of business strategies in each of the operating companies and the successful achievement of key performance indicators. The structure and terms of these options, agreed at the time of our initial investment, will provide a material uplift in value to FDV shareholders over time."*

E24's exciting growth trajectory

E24 is the leading general classifieds portal in the high growth Central American markets of Panama, Costa Rica, Nicaragua and Honduras. These markets have an expanding population and rapidly increasing internet penetration. The decision by FDV to exercise its option is a direct result of E24 continuing to exceed key performance targets. The cash injection will provide E24 with additional funds to accelerate the monetisation of its market leading position.

E24's total listings have grown from approximately 382,971 in December 2015 to approximately 527,978 at the end of November 2016. Monthly site visits have also grown over the same period from 3.7 million visits in December 2015 to 5.7 million visits in November 2016. Leads generated from consumers to advertisers also increased from 518,418 in December 2015 to 904,682 in November 2016.

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About Frontier Digital Ventures Limited

Frontier Digital Ventures is a leading operator of online classifieds businesses in underdeveloped, emerging countries or regions. With an amazing track record in building and supporting great companies, Frontier Digital Ventures are experts in the online classifieds space with a particular focus on property and automotive verticals and general classifieds websites. Its portfolio currently consists of 15 market leading companies, operating businesses across 19 markets. With the extensive support offered to the local operating companies, coupled with their own energy and work ethic, Frontier Digital Ventures is bringing outstanding companies of global significance to their full potential and setting a new global standard of excellence in the field.