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Option exercise to increase ownership of Encuentra24.com

- Frontier intends to exercise its option to increase its ownership of online classifieds leader Encuentra24.com ("E24") from 38.7% to 42.1%
- E24 is the leading general classifieds portal in the key Central American markets of Panama, Costa Rica, Nicaragua and Honduras
- E24 has generated a +682% increase in monthly leads and +58% increase in monthly revenues since Frontier's initial investment in May 2015
- E24 is one of the leading revenue generators in Frontier's portfolio (A\$1.5m in 1Q 2017) and is successfully monetising multiple markets from one horizontal platform
- Frontier maintains a strong balance sheet and will fund the US\$1.1m option exercise payment using its A\$22.2m cash balance as at 31 March 2017

Frontier Digital Ventures Limited ("Frontier") is pleased to announce that it will exercise its option to subscribe for new shares in Encuentra24.com ("E24"), the leading online classifieds portal in Central America, increasing its ownership from 38.7% to 42.1% for a milestone cash payment of US\$1,051,095 (implied pre-money valuation of US\$16m agreed in May 2015). The payment will be made by Frontier in June 2017 from existing cash reserves.

The option exercise highlights the potential value embedded in Frontier's structured investment terms, where the investment valuations are agreed at the time of the initial investment. The option is being exercised on the basis of E24 continuing to exceed key performance indicators including significant revenue and EBITDA growth.

Key operating and revenue metrics since initial Frontier investment

Metric	June 2015	May 2017	Change (%)
Listings (#)	336,451	525,472	+56%
Advertising accounts (#)	33,445	57,270	+71%
Paid advertising accounts (#)	2,267	8,272	+265%
Monthly visits (#)	4,235,570	5,900,230	+39%
Monthly app visits (#)	178,186	1,291,132	+625%
Monthly leads (#)	175,623	1,373,102	+682%
Monthly revenue (US\$)	262,139	413,874	+58%

Frontier's CEO and Founder, Shaun Di Gregorio said: *"The execution ability of the entrepreneurial E24 management team is a great demonstration of how to successfully monetise multiple, smaller markets from one horizontal platform. Frontier is actively leveraging some of the great initiatives put in place by E24's management to further optimise the rest of its portfolio."*

For more information, please contact:

Shaun Di Gregorio

Chief Executive Officer

Tel: +60 17 207 6221

Email: shaundig@frontierdv.com

About Frontier Digital Ventures Limited

Frontier Digital Ventures is a leading operator of online classifieds businesses in underdeveloped, emerging countries or regions. With a track record of building and supporting market leading online businesses, 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 17 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.