ASX MARKET RELEASE

User Acquisition Update

SUMMARY

- **Download pace is increasing**

- **Comprehensive user acquisition campaign commenced**

- **Campaign objective is 18,000 Thred app downloads by end November**

User Acquisition Update

Thred is pleased to report that its new user acquisition and growth team have commenced their first investment in Marketing Thred now that the major feature update, 'threding without Thred' is deployed and functioning well.

In the period since the last metrics update:

- **Organic downloads and page views of Thred have increased by over 25%**
- **Daily new users have increased by 600% since marketing started**
- **App store ratings are still averaging 4.5 stars across iTunes and PlayStore**

Our digital marketing program will deploy a combination of Facebook install ads, Google Universal Ad campaigns and in-app Ad Networks. Thred is also using App Store optimisation which is already driving organic downloads via app stores.

The Thred marketing team commenced the digital campaigns about a week before this announcement and are in the process of fully optimizing the ads in order to garner the greatest user reach. **We expect this will drive sustained user growth off the back of the digital marketing program, maximizing the potential number of users we can reach.**

Below is the summary table of user metrics, as presented last month.

No	Measure	85-day In Market Testing Phase	Notes
1.	*Total cumulative app **Downloads***	*3,050*	*Total number of app downloads from the Apple & Android stores*
2.	*Avg no of Integrated **Contacts** per user*	*434*	*The average number of contacts each Thred user integrates into Thred*
3.	Total number of **Thred Connected Contacts**	1,275,300	*Total no of Thred connect contacts in platform & therefore user pipeline*

It is worth noting that there are two types of app downloads, **organic** and **paid**. **Organic** downloads are not paid for, i.e. users download the Thred app after undertaking uninfluenced search and acquisition; and **paid** downloads are when users are acquired after receiving a digital or traditional marketing prompt from Thred.

Undertaking **paid** download marketing in the first instance is proven to rapidly increase **organic** downloads as they are a more cost-effective source of user acquisition.

The following table summarises the cumulative app downloads since launch, shown against the application of marketing and the number of updated versions of the Thred app.

	May to June	June to July	July to Aug
Cumulative App Downloads	2,420 *	2,586	3,050
Growth (%)	-	7%	18%
Cumulative Marketing Days	-	-	5
No of App Updates	4	2	2

* we believe the majority of these downloads were driven by ASX market releases, not marketing.

Now that the Thred team have delivered core product improvements, with a clear marketing program in place, **we expect download pace and user adoption to accelerate.**

Thred expects to obtain better quality data regarding growth rates in the next period and therefore **aims to be in a position to provide the market with estimates or forecasts of downloads in future user acquisition updates**.

Our short-term goal is 18,000 app downloads by the end of November, which is the initial objective for assessing the Life Time Value (LTV) of a user.

Summary
Further to 14th of August announcement, we will release a new product update very soon containing additional enhancements and feature releases, developed by the in-house Sydney team. This app update will provide users with:

- A new notification sound when threds are received
- In-thred participant activity updates
- Settings screen improvements

- Guest threding for existing Thred users
- Resized connected accounts for Android
- Several bug fixes

Marketing expenditure will be relatively low to start with. As new features are added and improvements are deployed, marketing effort will be gradually increased to take advantage of enhanced usability and alignment with users.

Successful branding efforts and communication initiatives are expected to drive rapid user growth. Moreover, we believe improvement of features will enhance user experience and therefore increase downloads via organic growth.

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About Thred: Thred Limited (ASX: THD) has developed an in-market version of globally relevant software platform that aims to provide unified social messaging, along with content creation and sharing, in one simple and intuitive consumer App. Thred intends to uniquely deliver the ability for consumers to unite their messaging, mail, connections, SMS and more, into one simple *'thred'* where they can connect, talk, transact, play, attach, watch, buy and listen with awesome simplicity and relevance. Thred plans to aggregate incumbent social, mail, content, media and third party transactional platforms, providing a universal, unified and simple place to connect with anyone, anywhere, anytime, regardless of what social or mail platform they're on. Thred aims to facilitate cross-platform communications with ease and steps this up a gear by putting an array of device and media tools in one unique and powerful *'thred'*.

Thred has launched an 'in market' testing phase through iTunes & Play Store. Following a period of User feedback and honing platform operations, Thred will gradually release a program of improvements and enhancements to increase its usefulness. Ultimately, Thred aims to compete on a world-stage, delivering integrations that include Facebook, Twitter, Instagram, LinkedIn, Uber, Microsoft, Google, Airbnb and more.

FORWARD LOOKING STATEMENTS
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