

ShareRoot

ASX Announcement
23 January 2018

ShareRoot completes Rights Issue Shortfall, A\$2.8 million raised

Highlights:

- **257 million Shortfall shares issued, raising A\$1.285 million**
- **Additional placement of 163 million shares raised A\$815,000 following the oversubscription of the Shortfall**
- **Follows the completion of the Rights Issue on January 5 which raised A\$700,000**
- **A total of A\$2.8 million received from the capital raising - exceeding the initial target of A\$2 million**
- **Completion of capital raising provides ShareRoot with significant financial flexibility to pursue key growth objectives**

ShareRoot Limited (ASX: SRO) ('ShareRoot' or 'the Company') is pleased to advise that it has completed its Rights Issue Shortfall, with a total of A\$2.8 million received from this capital raising. Sanlam Private Wealth Pty Ltd was lead Manager to the Rights Issue and Placement

The Shortfall placement ("Shortfall") closed oversubscribed with a total of 257 million shares raising \$1.285 million, while an Additional placement ("the Placement") raised A\$815,000 through the issue of 163 million shares. Sanlam Private Wealth Pty Ltd was lead manager to the Rights Issue and Placement.

A total of A\$2.1 million was raised from the Shortfall and Placement, with an additional A\$700,000 raised through the completion of the Rights Issue on 5 January, making the total amount raised in this capital raising A\$2.8 million.

Significantly, this total exceeded the Company's initial target of A\$2 million, which is a pleasing outcome and further evidence of the good support received from shareholders and new investors.

As previously announced on 10 January, the completion of the raising provides the ShareRoot Group with significant financial flexibility to pursue key objectives in 2018:

- Increasing the number of strategic partnerships and growing the use of ShareRoot's UGC platform, with rapid escalation of user growth expected in 2018.

- The roll-out of 'MediaConsent', expanding ShareRoot's UGC platform into the multi-billion dollar Customer Identity Management (CIM) market.
- The acquisition of The Social Science (TSS), a profitable revenue-generating social media and digital marketing agency that builds on ShareRoot's existing client offerings across social and digital marketing segments.

ShareRoot Chief Executive Officer Noah Abelson said: "The completion of this capital raising is a significant step forward as we look to transform the business in 2018. Following the close of this settlement, we now have spectacular optionality at our disposal to progress a number of our key growth objectives. With a strong pipeline of partnership and client opportunities building for the ShareRoot Group, we are in a robust financial position to make strong strides in 2018."

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About ShareRoot:

ShareRoot Limited (ASX: SRO) ('ShareRoot' or 'the Company') is established in the rapidly growing field of User Generated Content (UGC) marketing, providing businesses such as Costco and McDonald's franchisees a platform to search, legally acquire, organize and measure the effectiveness of user generated marketing campaigns.

UGC or Social Network Advertising is forecast to grow into a US\$17 billion per year marketing sector with an 18% compound annual growth rate through to 2019.

ShareRoot works with companies via a platform provided on a monthly charge basis, solving problems of finding suitable social media content, ensuring legal compliance such as privacy regulations, assisting with Customer Identity Management (CIM), and helping to build and monitor the success of marketing campaigns.

About ShareRoot's UGC platform:

ShareRoot's cloud-based UGC solution allows clients to easily search for relevant user-generated content across a range of social media services, request and obtain legal permission for the full legal rights to use this content, then helps them to effectively utilise these materials as part of their marketing campaigns.

The strong legal protections built into ShareRoot's UGC platform allows clients to avoid the legal disputes and intellectual property issues that companies are encountering at a growing rate when sharing user-generated content as part of their marketing efforts, while also supporting the efforts of artists and original content creators.