

HearMeOut achieves major growth milestones, continues to advance platform

Highlights of December Quarter 2017:

Growth milestones:

- Reaches top 50 in App Store (social networks) in key markets - US, Canada and Australia; and
- Exceeds over 500,000 downloads on Google Play store.
- Receives excellent reviews on google play store

Entertainment milestones:

- Signs agreement with global entertainment firm iMAR Entertainment to fast track influencer strategy;
- Partners with legendary broadcaster and prolific social media user Larry King - more than 3 million followers on Twitter and Facebook - to post unique content on HearMeOut platform;
- Australian media and technology executive David McGrath joins Advisory Board.

Automotive milestones:

- Partners with global technology leader to develop HOOP – a revolutionary “connected car” IoT product, expanding the in-car experience
- Improves connected car platform with Ford, to enable the app to be approved for additional regions.

Technology milestones:

- In order to keep expanding partnerships with media, HearMeOut adds significant features to its partner’s kit offering, by adding post scheduling.
- Adds auto links that can be shared on social media, as well as embed posts for partners to publish on their websites.

30 January 2018: The Board of HearMeOut Limited (ASX: HMO) (‘HearMeOut’ or ‘the Company’), developer of a revolutionary voiced-based social media platform, is pleased to provide a quarterly report for the period ending 31st December 2017, a period which witnessed the company grow significantly in key markets and further advance its activities internationally.

Achieves major growth milestones

- **Reaches top 50 in App Store (social networks) in US, Canada and Australia**

In November 2017, HearMeOut App reached top 50 of Apple App Store in three key markets - US, Canada and Australia - in the highly competitive social network category.

This category has thousands of Apps and is dominated by global social networks such as Facebook, Twitter, Skype, LinkedIn, WeChat, etc.

Unlike other social networks in App Store, this milestone was not assisted by significant marketing spend, rather it was achieved by strong organic influencer activity.

Reaching this position highlights that HearMeOut have a product that users engage with and a large and proactive influencer network, which sees the Company compete favourably with much larger competition.

- **Exceeds over 500,000 downloads on Google Play store**

During the period, HearMeOut achieved over 500,000 downloads on Google Play, official app store for Android devices, in less than a year since the IPO of the company.

In addition, the app received overwhelmingly positive reviews on Google Play (4.3 stars out of 5 from more than 2,800 reviews submitted).

Entertainment milestones:

Fast track influencer strategy – signs agreement with global entertainment firm iMAR Entertainment

In October, HearMeOut significantly fast tracked the influencer strategy for its app with the signing of an agreement with iMAR Entertainment, a premier global entertainment and sports marketing agency based in Los Angeles.

As shareholders are aware, influencers are important to the growth of the HearMeOut platform, as they create content and attract users.

The agreement with iMAR Entertainment further accelerates this activity and significantly enhances the efficiency of the activity and speed by which the company rolls out the next phase of its influencer campaign.

iMAR Entertainment boasts agreements with global celebrities, promotions associated with world class events, including the Grammy's, New Year's Eve in Times Square and regularly coordinates promotions with global media.

Under the deal with HearMeOut, IMAR Entertainment is responsible for:

- facilitating partnerships with influencers and celebrities,
- integrating HearMeOut into existing and new radio promotions,
- securing regular promotional radio spots,
- integrating HearMeOut into iMAR Entertainment live events, such as album release parties and/or artist performances, and
- Integrating HearMeOut into other strategic activations, such as Top-40 artist music video, or other similar on- screen media.

Partners with legendary broadcaster Larry King

In a coup for HearMeOut, legendary broadcaster and one of the most recognisable voices in media, Mr Larry King, began posting original content on the HearMeOut platform in December.

Mr King is a prolific social media user, adopting new and emerging technologies in the social media space, as he did with Twitter in the 2009 challenge with Ashton Kutcher, with the two racing to get 1 million followers on Twitter.

With Mr King boasting more than 3 million followers on Twitter and Facebook, HearMeOut expects followers of his channel on the platform to grow quickly.

He is most well-known for the CNN television program Larry King Live, which aired from 1985 to 2010 in the US and around the world.

Key appointment - media and technology executive David McGrath

One of Australia's leading media and technology executives, Mr David McGrath, was appointed to HearMeOut Advisory Board in December.

Mr McGrath has more than 20 years international digital experience, specialising in online audience growth and digital commercialisation across programmatic and data driven networks.

His experience includes executive leadership positions at Telstra, IMG, Yahoo!, ASE IT, and Lachlan Murdoch's Nova Entertainment Group

Mr McGrath is currently Chief Digital Officer at Clubs Australia, where he is leading the digital transformation across some 6500 venues and more than 8 million memberships across Australia and New Zealand.

As an Advisory Board member, Mr McGrath will assist the Company to identify and engage with global publishers and advertising groups to drive use by them of the HearMeOut platform.

The appointment of Mr McGrath complements existing Advisory Board members Jon Housman and Scott Lyons.

Automotive milestones

Partners with global technology leader to develop HOOP – a revolutionary “connected car” IoT product

During the December quarter, HearMeOut positioned itself as a global leader in the “connected car” space with the development of HOOP, an IoT product enabling use of the HearMeOut App in cars that do not have connected car technology (plus can also be used outside of car).

HOOP is globally significant, as for the first time ever a user can seamlessly engage with the HearMeOut platform regardless of the technology in the car.

HearMeOut is working with NASDAQ listed DSP Group®, Inc. (NASDAQ: DSPG) a leading global provider of wireless chipset solutions for converged communications, to develop a HOOP prototype.

HOOP will expand HearMeOut’s capability “in car”, where the Company already has a strong presence through a distribution agreement with Ford, who are implementing its technology with Ford’s “Applink Sync” platform in US, UK and Ireland.

HearMeOut is also a member of SmartDeviceLink Consortium, an exclusive organisation which includes car manufacturers and brands such as Toyota, Lexus, Lincoln, Mazda, Subaru, Suzuki, Peugeot, Citroen and Daihatsu.

Technology milestones:

Post scheduling added to HearMeOut platform

Because of a significant increase in interest in the HearMeOut platform from high content publishers (media outlets, influencers, content agencies, etc), a key new web technology was added to the HearMeOut partners kit.

The new web technology, post scheduling, is like that offered by other leading social platforms (i.e. Facebook, Twitter, etc) and allows users to record and schedule the release of posts (time and day) in advance.

For high content publishers, the use of a post scheduling tool is a highly efficient way for them to manage the release and syndication of content on the HearMeOut platform.

For more information on HearMeOut, please visit

www.hearmeoutapp.com

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About HearMeOut

HearMeOut (ASX: HMO) is an Israeli-based global company that provides a revolutionary voice-based social media platform that transforms the way people engage with and consume social media.

The platform enables users to share and listen to 42-second audio posts through the platform's native feed or on other social networks, such as Twitter or Facebook. HearMeOut is widely adopted by social influencers and is quickly earning its place as a must have social tool.

Through HearMeOut, people can express their authentic voice and put their unique signature on social media interactions. For more information on HearMeOut, please visit hearmeoutapp.com.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

HEARMEOUT LIMITED

ABN

54 614 043 177

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$'000**	Year to date (12 months) \$'000*
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(33)	(141)
(b) business development and marketing	(388)	(963)
(d) leased assets	(15)	(35)
(e) staff and board remuneration	(401)	(1,426)
(f) administration and corporate costs	(77)	(372)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	12
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	(1)
1.9 Net cash (used in) operating activities	(913)	(2,928)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(2)
(b) businesses (see item 10)	-	-
(c) investments	(78)	(279)
(d) intellectual property	-	-
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$'000**	Year to date (12 months) \$'000*
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments - shares	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash (used in) investing activities	(78)	(281)

3.	Cash flows from financing activities		
3.1	Proceeds from issue of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	42
3.10	Net cash from financing activities	-	42

4.	Net increase in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,597	5,968
4.2	Net cash (used in) operating activities (item 1.9 above)	(914)	(2,929)
4.3	Net cash (used in) investing activities (item 2.6 above)	(78)	(281)
4.4	Net cash from financing activities (item 3.10 above)	-	42
4.5	Effect of movement in exchange rates on cash held	29	(166)
4.6	Cash and cash equivalents at end of quarter	2,634	2,634

Consolidated statement of cash flows	Current quarter \$'000**	Year to date (12 months) \$'000*
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5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$'000	Previous quarter \$'000
5.1 Bank balances	2,634	3,597
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,634	3,597

6. Payments to directors of the entity and their associates	Current quarter \$'000
6.1 Aggregate amount of payments to these parties included in item 1.2	162
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payment to directors are for non-executive director fees, executive director salaries and includes associated on-costs.

7. Payments to related entities of the entity and their associates	Current quarter \$'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$'000	Amount drawn at quarter end \$'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

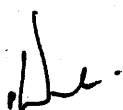
None

9. Estimated cash outflows for next quarter		\$'000
9.1	Research and development	(65)
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	(293)
9.4	Leased assets	(14)
9.5	Staff costs	(396)
9.6	Administration and corporate costs	(142)
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	(910)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 30 January 2018

Print name: Peter Webse

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.