



# MARKET RELEASE

16 February 2015

NewZulu Limited

## PRE-REINSTATEMENT DISCLOSURE

NewZulu Limited (the "Company") will be reinstated to official quotation as from 10 am EDST on Wednesday, 18 February 2015, following the Company's compliance with listing rule 11.1.3 and chapters 1 and 2 of the ASX Listing Rules.

The following information is released as pre-reinstatement disclosure.

1. Appendix 1A and Information Form and Checklist.
2. Distribution schedule.
3. Top 20 holders.
4. Number and escrow period of restricted securities.
5. A statement setting out the capital structure of the Company.
6. An updated statement of commitments.
7. An updated statement of financial position.
8. The Company's securities trading policy.
9. The Filemobile Inc audited financial statements for the years ended 2012, 2013 and 2014.
10. A statement confirming of satisfaction of the conditions precedent and completion of the Filemobile Agreement including the payment of CAD\$5,000,000 to the Filemobile shareholders.
11. A statement confirming the repayment and conversion of the First Blueroom Loan, including the conversion price and number of shares issued on conversion.

12. A statement confirming the issue of the First Blueroom Loan Facility Fee securities comprising:
  - 12.1 2,500,000 shares; and 3,500,000 options exercisable at 20 cents and expiring 3 years from the date of issue
13. A statement confirming the repayment and conversion of the Second Blueroom Loan, including the conversion price and number of shares issued on conversion.
14. A statement confirming the issue of the Second Blueroom Facility Fee securities comprising:
  - 14.1 1,071,429 shares; and 2,000,000 options exercisable at 20 cents and expiring 3 years from the date of issue.
15. A statement updating the market on the repayment of the Scarf Loan in the sum of \$683,903.
16. A statement confirming there have been no material subsequent events to alter the Company's consolidated statement of financial position as detailed in section 6 of the Replacement Prospectus.
17. A statement confirming that there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Replacement Prospectus.
18. A statement confirming the Company is in compliance with the listing rules and in particular listing rule 3.1.

Security Code: NWZ

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12 February 2015

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## PRE-QUOTATION ANNOUNCEMENT

The information in this announcement is provided to ASX Limited (**ASX**) for release to the market in connection with the Company's application for reinstatement of Newzulu Limited's (the **Company**) securities following completion of the change of scale to the Company's activities.

### 1. Statement of capital structure following the completion of the Offer

The capital structure of the Company following completion of the offer under the replacement prospectus dated 12 January 2015 (**Replacement Prospectus**) and the allotment and issue of 115,000,000 fully paid ordinary shares at an issue price of \$0.10 per share (raising \$11.5 million, before costs) is as follows:

Number	Class
505,967,896	Fully paid ordinary shares
586,660	Employee incentive options exercisable at \$0.30 each and expiring 30 June 2015
666,666	Financial advisor options exercisable at \$0.90 each and expiring 30 November 2015
500,000	Former director options exercisable at \$0.30 each and expiring 30 June 2017
24,000,000	Director options exercisable at \$0.10 each and expiring 30 June 2017
2,000,000	Director options exercisable at \$0.20 each and expiring 31 October 2017
5,000,000	Lender options exercisable at \$0.20 each and expiring 9 February 2018
5,500,000	Executive options exercisable at \$0.20 each and expiring 9 February 2018
550,000	Executive performance rights

## 2. Updated Statement of Financial Position for Actual Funds Raised

	A\$
<b>Assets</b>	
Cash and cash equivalents	7,786,130
Trade and other receivables	733,897
Inventories	955
Current income tax assets	186,542
Restricted cash	225,453
Related party loans	37,902
Other current assets	121,171
<b>Total current assets</b>	<b>9,092,500</b>
Property, plant and equipment	505,652
Intangible assets and goodwill	20,761,969
<b>Total non-current assets</b>	<b>21,267,621</b>
<b>Total assets</b>	<b>30,359,670</b>
<b>Liabilities</b>	
Trade and other payables	142,374
Loans and borrowings	161,297
Loans and borrowings from related parties	26,601
Derivative liability	-
Employee benefits	270,277
Deferred revenue	188,343
Provisions	70,742
<b>Total current liabilities</b>	<b>859,634</b>
Loans and borrowings	174,632
Loans and borrowings from related parties	-
Employee benefits	31,873
Deferred tax liability	162,075
Provisions	58,843
<b>Total non-current liabilities</b>	<b>427,423</b>
<b>Total liabilities</b>	<b>1,287,057</b>
<b>Net assets</b>	<b>29,072,614</b>
<b>Equity</b>	
Share capital	34,340,117
Reserves	2,096,070
Accumulated losses	(7,363,573)
<b>Total equity</b>	<b>29,072,614</b>

### 3. Updated Statement of Commitments based on Actual Funds Raised

Item	A\$	%
Cash on hand as at 30 November 2014	2,337,714	
Net funds subsequently received pursuant to Second Blueroom Loan Agreement	1,410,000	
Funds raised pursuant to the Replacement Prospectus	11,500,000	
<b>TOTAL FUNDS AVAILABLE</b>	<b>15,247,714</b>	
<b>Newzulu Business</b>		
Operational, journalistic and technical costs of the Newzulu business	5,500,000	
Cost associated with pursuing expansion plans in the United States market	750,000	
Costs associated with the development of the "Newzulu Mobile" App	220,000	
Costs associated with development of the "Payzulu" system	70,000	
Costs associated with the development of the Newzulu Platforms	50,000	
Costs associated with marketing and development of the Newzulu business, including Newzulu Live	300,000	
	6,890,000	45.19%
<b>Filemobile Acquisition Costs</b>		
Payment of consideration payable to acquire Filemobile	5,085,000	
Costs associated with completion of the Filemobile Acquisition	358,761	
	5,443,761	35.70%
<b>Filemobile Business</b>		
Costs associated with operational and technical costs of the Filemobile business	10,000	
Costs associated with Filemobile product development	250,000	
Costs associated with marketing and development of the Filemobile business	50,000	
	310,000	2.03%
<b>Ongoing operational and technical costs of the Kiosk and WiFi Business</b>	175,000	1.15%
<b>Listed Company Expenses</b>		
Ongoing corporate and administrative costs of Newzulu	620,000	
Costs associated with pursuing new opportunities	500,000	
General working capital	158,953	
	1,278,953	8.39%
<b>Repayment of Scarf Loan*</b>	-	-
<b>Expenses of the Offer</b>	1,150,000	7.54%
<b>TOTAL FUNDS ALLOCATED</b>	<b>15,247,714</b>	<b>100.00%</b>

\* The Company and Scarf have agreed to defer repayment date of the remaining Scarf Loan of \$683,903 to 31 December 2015.

#### 4. Distribution schedule of the number of holders of fully paid ordinary shares

Range	Holders	Units	%
1 - 1,000	618	227,824	0.05
1,001 - 5,000	431	1,162,353	0.23
5,001 - 10,000	205	1,527,129	0.30
10,001 - 100,000	335	13,398,457	2.65
100,001 - Over	220	489,652,133	96.77
<b>Total</b>	<b>1809</b>	<b>505,967,896</b>	<b>100.00</b>

#### 5. Statement of the 20 largest holders of fully paid ordinary shares

Rank	Holder	Number of Shares held	%
1	BLUEROOM CAPITAL PTY LTD	73,571,429	14.54
2	MATILDA MEDIA PTY LTD <MATILDA MEDIA A/C>	55,617,482	10.99
3	WYUNA GROUP PTY LTD <WYUNA GROUP A/C>	44,643,574	8.82
4	GANDALF HOLDING (NSW) PTY LTD <GANDALF A/C>	35,643,743	7.04
5	PAPELLA PTY LTD	30,216,588	5.97
6	GLENEAGLE SECURITIES NOMINEES PTY LIMITED	21,000,000	4.15
7	MS JENNIFER ANNE CARR <LOUISE ACCOUNT>	12,500,000	2.47
8	RBC TRUST COMPANY (GUERNSEY) LIMITED <RAG1 A/C>	10,000,000	1.98
9	MR PETER SCARF	9,809,080	1.94
10	SUPERGUN PTY LTD <BRICKLANDING SUPER A/C>	9,718,284	1.92
11	MR ALEXANDER JAMES HARTMAN	9,514,807	1.88
12	HARTPOWER PTY LIMITED <THE KEITH HARTMAN NO 2 A/C>	8,239,627	1.63
13	NATIONAL NOMINEES LIMITED <DB A/C>	5,750,000	1.14
14	J P MORGAN NOMINEES AUSTRALIA LIMITED	5,500,666	1.09
15	ECRUCIS PTY LTD <KIELY FAMILY SUPER FUND A/C>	5,450,870	1.08
16	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	5,381,620	1.06
17	MR JASON RICH	5,230,000	1.03
18	NATIONAL NOMINEES LIMITED	5,069,834	1.00
19	MONEX BOOM SECURITIES (HK) LTD <CLIENTS ACCOUNT>	5,000,000	0.99
20	DOMINET DIGITAL INVESTMENTS PTY LTD <DOMINET DIGITAL A/C>	4,450,870	0.88
<b>TOTAL</b>		<b>362,308,474</b>	<b>71.60</b>

#### 6. Details of securities subject to escrow

178,230,977 Shares are not quoted and are subject to escrow for 12 months from the date of issue, being 13 August 2014.

3,571,429 Shares are not quoted and are subject to escrow for 12 months from the date of reinstatement of the securities of the Company.

5,500,000 executive options are not quoted and are subject to escrow for 12 months from the date of issue, being 9 February 2015.

550,000 executive performance rights are not quoted and are subject to escrow for 12 months from the date of issue, being 9 February 2015.

**7. Completion of Filemobile Agreement**

The Company confirms the satisfaction of the conditions precedent to and the completion of the Filemobile Agreement including the payment of approximately C\$5,000,000 to the Filemobile shareholders.

**8. Repayment and conversion of Blueroom Loans**

The Company confirms the repayment and conversion of the First and Second Blueroom Loans totalling \$5,000,000 has been completed via the issue of 50,000,000 Shares at a conversion price of \$0.10 per share.

The Company further confirms the issue of the First and Second Blueroom Loan Facility Fees via the issue of:

- a. 3,571,429 Shares; and
- b. 5,500,000 options exercisable at \$0.20 each expiring 9 February 2018.

**9. Scarf Loan**

The Company advises that it has agreed to defer repayment date of the remaining Scarf Loan of \$683,903 to 31 December 2015.

**10. Subsequent events**

The Company confirms that we are not aware of any material subsequent events to alter the Company's consolidated statement of financial position as detailed in section 6 of the Replacement Prospectus, other than as disclosed to the market.

**11. Legal, contractual and regulatory impediments**

The Company confirms that, to the best of our knowledge, we are not aware of any legal, regulatory or contractual impediments to the Company undertaking the activities that are the subject of the commitments disclosed in the Replacement Prospectus.

**12. Compliance with the Listing Rules**

The Company confirms that, to the best of its knowledge, it is in compliance with the listing rules and in particular listing rule 3.1