

ASX Company Announcement | Issue Date: 21 December 2015

NEWZULU RAISES \$3 MILLION TO ACCELERATE INTERNATIONAL GROWTH

- + \$3 million placement completed with strong support from institutional and sophisticated investors.
- + Funding to accelerate the next phase of development in the USA market and to continue to grow Content and Technology businesses across the existing client base.
- + With the placement component of the capital raising completed, Newzulu will now focus on closing a number of high potential sales opportunities, and progressing a broad range of cost containment initiatives in order to achieve cash flow break even.

Newzulu Limited (ASX: NWZ, Newzulu, Company), the world's leading crowd-sourced media company, that provides coverage, content and technology to news agencies, publishers and brands, is pleased to announce that it has successfully raised \$3 million through a placement to new and existing domestic and international investors (**Placement**).

The Company will issue approximately 85.7 million fully paid ordinary shares at an issue price of 3.5 cents per share, representing a 16.7% discount to the last closing price of 4.2 cents. The funds raised place Newzulu in a strong position to ramp up revenues from its client offerings across both Content and Technology business units, particularly in the USA. Newzulu has recently signed clients including ABC News in Australia and continues to develop a strong pipeline of potential customers globally to drive future revenues for the Company.

The Placement attracted strong interest from both retail and institutional investors including Thorney Investment Group. Patersons Securities Limited acted as lead manager to the Placement.

Alexander Hartman, Executive Chairman commented: "We are pleased to have had such strong support and interest in the Company, particularly given the proximity to the holiday period. With \$3m capital secured and cost initiatives well underway, we are confident in the execution of our growth strategy across the USA in the New Year.

"Newzulu is a unique platform that provides crowd-sourced content, coverage and technology to news agencies, publishers and brands around the world including The Associated Press. With over 250,000 global content contributors using the Newzulu Platform, we have a significant opportunity to solidify

our position as a world leader in a massive and entrenched global news market that is looking towards innovation to greatly reduce its cost base and shift their models to align with the changing ways in how customers are consuming media.”

In addition, as previously announced, the Company has undergone a restructure of its editorial operations to facilitate cost savings and efficiencies with an aim to reduce operational costs by approximately \$1.1m in FY16. Newzulu continues to identify further opportunities for cost reductions as the Company seeks to reduce cash burn and pursue cash flow positive operations. Newzulu has also negotiated the deferral of the repayment date of the Scarf Loan of \$683,903 to 1 April 2016.

The Company will utilise its 15% placement capacity to issue the shares under the Placement.

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About Newzulu

Newzulu is a crowd-sourced media company that allows anybody, anywhere, with a mobile device and a story, to share news, get published and get paid. Headquartered in Paris, Newzulu operates bureaus in London, New York, Los Angeles, Toronto and Sydney. In February 2015 Newzulu completed the acquisition of leading Toronto based user-generated content marketing software company Filemobile Inc. Newzulu operates in partnership with Getty Images, Tribune Content Agency, Alamy, Agence France-Presse (AFP) in France, Press Association (PA) in the UK & Ireland, ddp images in Germany, Belga News Agency in Belgium, Canadian Press (CP) in Canada, Australian Associated Press (AAP) in Australia, ITAR TASS in Russia, Agenzia Nazionale Stampa Associata (ANSA) in Italy, East News in Poland, ANSA in Italy, Wikono Societed Limitadaa in Spain and Aflo Co., Ltd in Japan. Further information can be found on www.newzululimited.com.