

ANNOUNCEMENT FOR RELEASE TO THE MARKET

REELTIME MEDIA LIMITED
ASX: RMA

6 March 2015

Acquisition of Market Research Group

ACQUISITION OF THE KNOWLEDGE WAREHOUSE

Reeltime Media Limited (**Reeltime** or the **Company**) is pleased to announce that it has entered into an agreement to acquire The Knowledge Warehouse. The acquisition includes the purchase of AFS Smart Askers, Surveytalk, J&S Research, CDM Direct Communications, TKW Digital, and an online reviews platform.

ABOUT THE KNOWLEDGE WAREHOUSE

The Knowledge Warehouse ("TKW") is an independent group which specialises in market and social research, data collection and contact centres and is based in Sydney, Melbourne, and Auckland. It operates data collection by scheduling interviews utilising a variety of methods including mobile, online, telephone or face to face. The company has developed expertise in several sectors including healthcare, consumer products, government, finance, environment, retail, utilities, education and staff surveys.

Over the last few years, TKW has grown organically and through acquisitions of data collection and contact centre businesses. TKW encompasses 6 divisions each operating under their own individual brand without competing with each other.

ABOUT AFS SMART ASKERS

AFS Smart Askers (www.afs-smart.com.au) is a large market research and data collection business based in Melbourne with a contact centre of 60 seats that was founded in 1997 and acquired by TKW in 2007. AFS Smart Askers is ISO20252 accredited and specialises in growing and maintaining dedicated panels, the largest being a healthcare database of approximately 85,000 professionals.

The business also provides CATI data collection, Mystery Shopping, Intercept and Shopper fieldwork through face-to-face interviewing, and recruitment for all types of qualitative research.

ABOUT SURVEYTALK

Surveytalk (www.surveytalk.com.au) is a market research and data collection business based in Sydney that provides ad hoc studies for specific purpose and tracking studies. The business was founded in 2000 and acquired by TKW in 2011. The original management, including the CEO, will remain with the business post acquisition.

Surveytalk operates a CATI platform that enables multi-channel data collection from online and offline sources and is capable of handling large data sources. The business provides market research and data collection services to the medical, business and consumer markets.

ABOUT J&S RESEARCH

J&S Research (www.jandsresearch.com.au) is a market research business based in Sydney that specialises in recruiting people with specific profiles or experience to attend focus groups and in-depth interviews. The business was founded in the 1980s and acquired by TKW in 2013.

J&S Research recruits individuals to participate in online surveys, forums and blogs, face-to-face, depth, and telephone interviews, ethnography, usability labs and workshops to provide its clients with effective, meaningful market research studies.

ABOUT CDM DIRECT COMMUNICATIONS

CDM Direct Communications ("CDM") (www.cdmdirect.com.au) is a leading independent call centre group with over 23 years' experience providing marketing solutions for hundreds of Corporate and Government clients. The company operates from Melbourne, Sydney and New Zealand with a capacity exceeding 250 workstations offering all Outbound, Inbound and Marketing contact centre services. CDM was founded in the 1990's and acquired by TKW in 2012.

CDM has worked with a range of high profile clients including Qantas, Mercedes Benz, Sony, Optus, Telstra, Commonwealth Bank and PricewaterhouseCoopers.

ABOUT TKW NEW ZEALAND

The call centre in New Zealand was established in 2012 with a capacity of 110 seats. It provides a shared service to the Australian divisions (AFS, Surveytalk and CDM Direct) calling into Australia and taking advantage of New Zealand's more competitive cost base. In addition, it has commenced to market contact centre services to New Zealand businesses under the CDM Direct brand.

ACQUISITION TERMS

In accordance with the Terms Sheet, the consideration payable to the Vendor (and/or its nominees) for the Acquisition comprises a cash component of \$5,000,000 and a share based component of ordinary shares in Reeltime to the value of \$1,000,000. Payment of the consideration is subject to and earn-out including performance standards being achieved over a 24 month window post completion of the acquisition.

Completion of the Acquisition is subject to a number of conditions customary for a transaction of this nature, including the execution of a formal documentation, and the Company undertaking to its satisfaction due diligence investigations on The Knowledge Warehouse and its business.

EMPLOYMENT OF PRINCIPALS

TKW's founders will be continuing with the business for a minimum of 24 months. The current Executive Chairman will be employed as Chief Executive Officer of TKW and Managing Director of Reeltime's Market Research division. TKW's Commercial Director will be engaged as a consultant in a senior Finance role within the Market Research division.

MARKET RESEARCH DIVISION

The acquisition of TKW provides Reeltime with a substantial foothold in the Market Research sector of the marketing industry which is valued at \$2billion (Source: IBISWorld). Businesses that require a deeper understanding of their existing and potential clients typically engage Market Research companies to gather and interpret this information such that their marketing strategies are executed with maximum effect.

Reeltime Media's Chief Executive Officer stated "We are delighted to secure a substantial portfolio of businesses that enhance Reeltime's ability to provide customer acquisition and retention services using Digital Media. Market research, call centre services and online reviews are all integral components of customer acquisition which will be leveraged across the group. TKW has a substantial portfolio of clients that will benefit from the services provided by other brands within the group, and the addition of a sizeable call centre provides Reeltime with a major capability for driving growth for our brands and their clients."

ACQUISITION STRATEGY

The terms of the TKW acquisition align with the company's acquisition strategy of acquiring profitable businesses that leverage Digital Media where the principal(s) are motivated and incentivised to continue driving the growth of the business within the group.

REINSTATEMENT TO QUOTATION ON ASX

As previously advised to shareholders, it is the Directors' current intention to apply to ASX for reinstatement of quotation of the Company's securities. In this regard, the Company will apply to ASX for a determination as to the requirements, in particular whether there is a requirement to seek shareholder approval, in order for RMA to carry out the proposed transactions outlined in this announcement and seek reinstatement of quotation of the Company's securities on the ASX.

The Company will keep shareholders informed with updates on this as and when appropriate.

ENQUIRIES

Queries can be directed to the Company at the above contact details.

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