

ASX Announcement

6 October 2016

SHAREROOT ENDS Q3 WITH STRONG WINS

Highlights

- ShareRoot's sales team is continuing its strong client growth momentum, bringing the total to 10 new contracts for Q3
- New client wins translate to revenue uplift and commercially validates ShareRoot's offering
- Alongside continuing SaaS sales, ShareRoot is in partnership discussions with big players in the billboard advertising space in Australia, UK and the USA to utilise the ShareRoot platform
- Ongoing momentum in the UGC market with recent acquisitions and funding of similar companies like Olapic, Livefyre and Engaged Sciences

Leading user-generated content (UGC) marketing platform company, ShareRoot Limited (ASX:SRO, "ShareRoot" or the "Company") is pleased to announce that the Company has actively streamlined its resources and cut its burn rate in half.

Simultaneously, the Company has continued its rapid client acquisition momentum closing a number of new clients during Q3CY16. These new client wins translate to revenue uplift via SaaS fees and commercially validates ShareRoot's offering.

Alongside continued SaaS fee growth, ShareRoot is currently in advanced discussions for potential partnerships with key advertising partners with a global presence in Australia, UK and the USA.

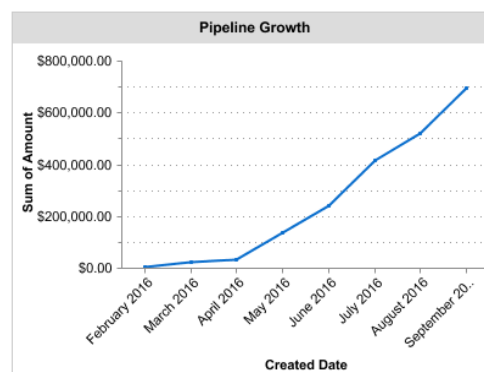
The recent high activity within the broader UGC community demonstrates that ShareRoot as a Company is in a prime market for acquisitions and mergers. Recent developments include the acquisition of Olapic for \$130M USD, Sprinklr raising \$105M USD, Livefyre purchased by Adobe, and Engaged Sciences purchased by Wayin.

New client information:

- **UltraStar Cinemas:** Based in San Diego, California, UltraStar is a locally operated movie theatre and is using ShareRoot to source UGC relevant to the cinemas. UltraStar was falling behind in its social media presence and engagement and in under a month's time has grown its social following exponentially.
- **Ignite Restaurant Group:** A US-based public restaurant group that owns Joe's Crab Shack (138 restaurants located in 35 states) and Brickhouse Tavern + Tap (26 locations) has signed on to ShareRoot to legally acquire UGC content and display it on its website. Commencing with Joe's Crab Shack, ShareRoot's platform will be rolled out across the group.
- **Turtle Bay Resort:** Is a luxury resort based in Hawaii and has signed on to ShareRoot with an Advanced Display package. Turtle Bay Resort will be implementing ShareRoot's Shoppable Galleries to allow guests to book stays from their social profiles. Most recently, Turtle Bay was a customer of Offerpop but chose to switch to the ShareRoot platform after comparing the offerings from both companies.

- **Visit South Bend:** A tourist board based in the central United States and home to Notre Dame, a US college with an incredibly popular football team, has signed on to ShareRoot's Standard Tier to legally acquire content from the community. Early results have shown over 40% increase in engagement with content acquired through the ShareRoot platform posted on to its social platforms compared to non-UGC images and videos.
- **De Paul University:** A US college has signed on to ShareRoot's acquisition package to help increase engagement and build its social presence. De Paul University will be following in the footsteps of UCLA that has seen a 236% increase in engagement over the last year by using the ShareRoot tool.
- **Iconix:** Existing customer Iconix, a New York-based agency for top brands such as Ed Hardy, Rocawear and Waverly, has renewed its subscription.

These new clients for ShareRoot demonstrate a continued upward momentum despite a leaner team. The Company's increasing sales pipeline is continuing to grow and ShareRoot is confident of closing further deals in the near term.



*Right: ShareRoot's Sales Pipeline Growth

ShareRoot Co-Founder and CEO Noah Abelson said:

"ShareRoot's cash burn has been cut in half going into Q4. At the same time, our sales pipeline continues to grow. We will constantly manage our way through the challenges presented to us while achieving better results than comparable companies that ended up getting acquired for over \$50m."

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About ShareRoot

Based in Silicon Valley, ShareRoot is positioned to become a major player within the marketing ecosystem, that is growing at record pace, with a market size above \$600 billion.

Currently, ShareRoot offers a Software as a Service (SaaS) platform that works with brands and digital agencies to easily find and legally source user generated content (UGC).

ShareRoot's proprietary, legally secure process is the first of its kind, but this platform is just the beginning for ShareRoot, as it rapidly progresses towards revolutionising the way that brands relate to and connect with the consumers they sell to.

For more information about ShareRoot's award winning platform and why it can truly help *"Harness the Visual Power of Your Consumers"* please visit www.shareroot.co.