



ASX CODE: BIG
27th October 2016

Quarterly Activity Report September 2016

Pathway to Profit

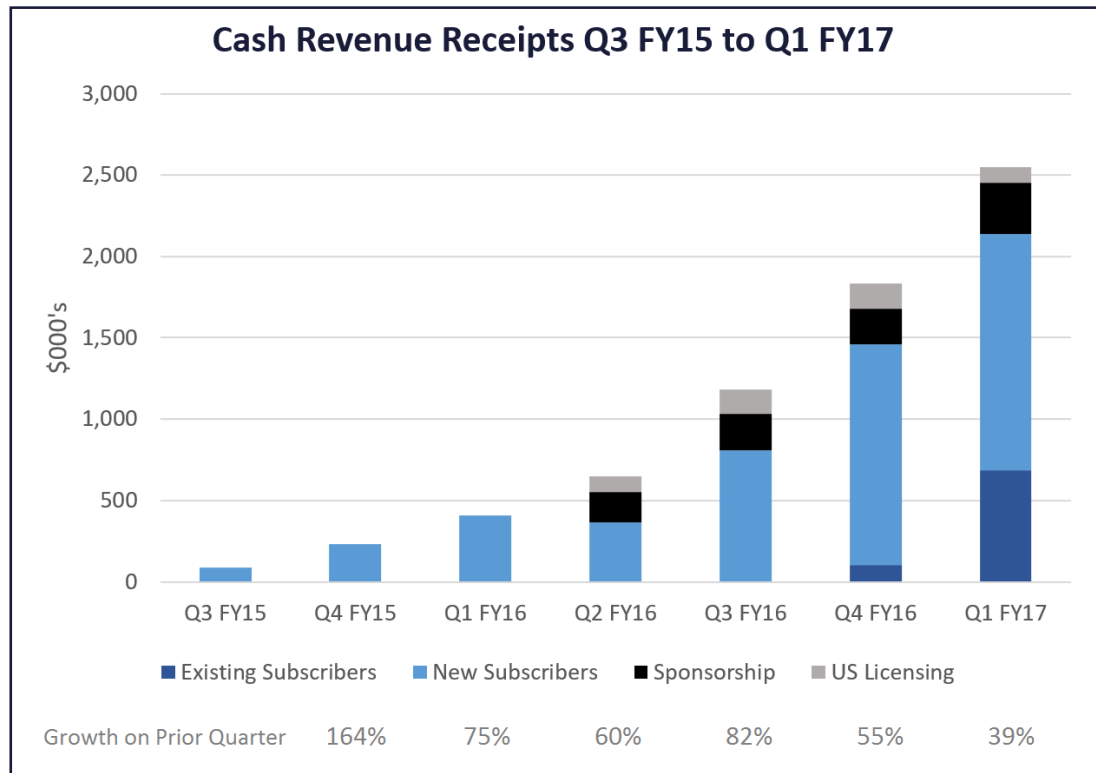
Big Un Limited (ASX: BIG or the Company) is pleased to provide a quarterly update on Q1 FY17 results.

Brandon Evertz, CEO: *"This quarter sees BIG reach the most significant milestone since listing, achieving over \$2.5m in cash revenue for the quarter and on the threshold of achieving cash flow positivity globally by the end of the financial year. BIG has invested in building a large video content library and developing innovative video technology. We are now reaping the benefits which will result in significant costs savings and efficiencies in both sales and production operations."*

Revenue for the Quarter \$2.55m

Continued Growth

The Company achieved its seventh consecutive period of revenue growth. Early indicators show a healthy subscription renewal rate at a higher ARPU during the September quarter.



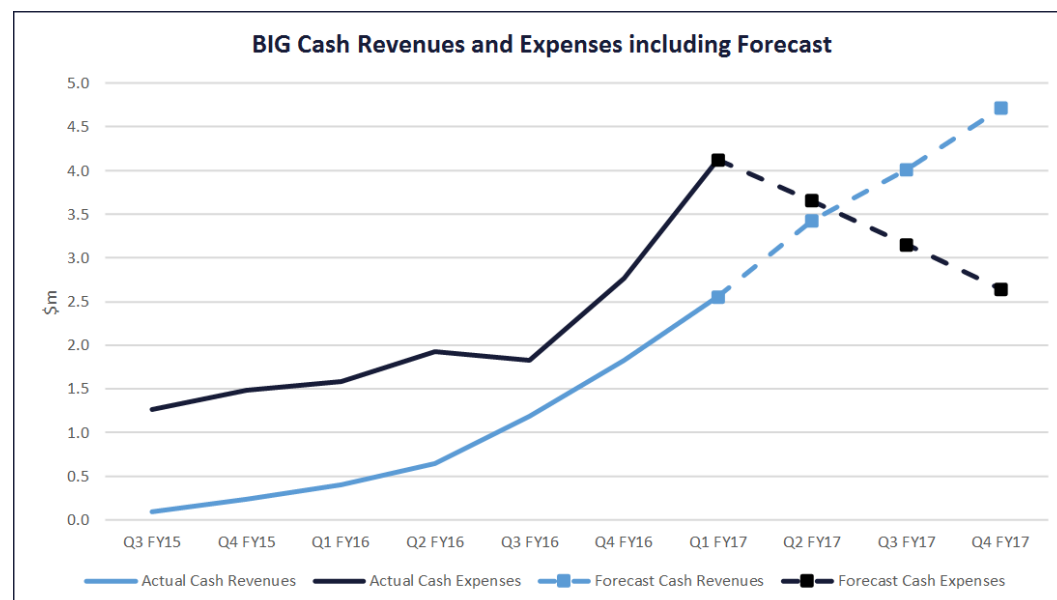
September Quarter Major Milestones

1. Increased ARPU and Lower Costs Provide Pathway to Profit

During the period, the Company increased its ARPU to \$2,600 and initiated cost efficiencies. Company investment to facilitate its international rollout strategy peaked during August and began a downward trajectory in the month of September as efficiencies began to take effect. The Company began the quarter with over 125 global staff and contractors and ended the quarter with around 80. BIG expects revenue growth to continue and costs to level at around \$10m per annum by the end FY16/17 providing a pathway to profit in the 3rd quarter FY2016/17.

Cost Efficiencies:

- 1) Implementation of auto-generated video technology (using BIG's video library)
Providing 70% efficiencies across both production and sales/marketing costs
- 2) Investment in dedicated telesales operation in Philippines for international sales
Providing 75% cost efficiency in customer onboarding and sales
- 3) Joint Venture with The Intermedia Group reduces Australian marketing costs (and is expected to increase advertising revenue and market penetration)

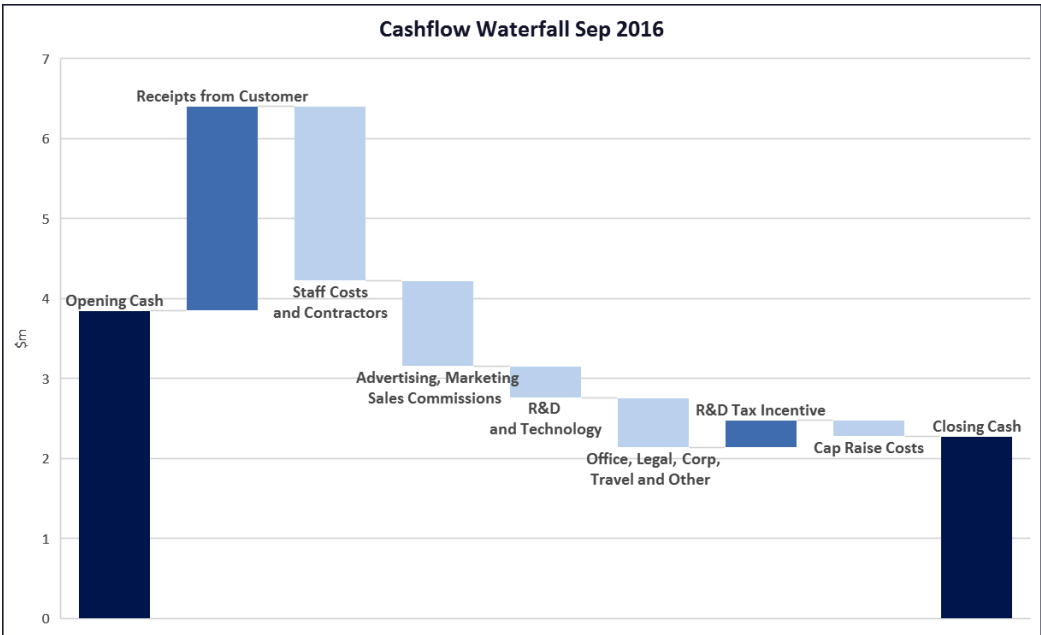
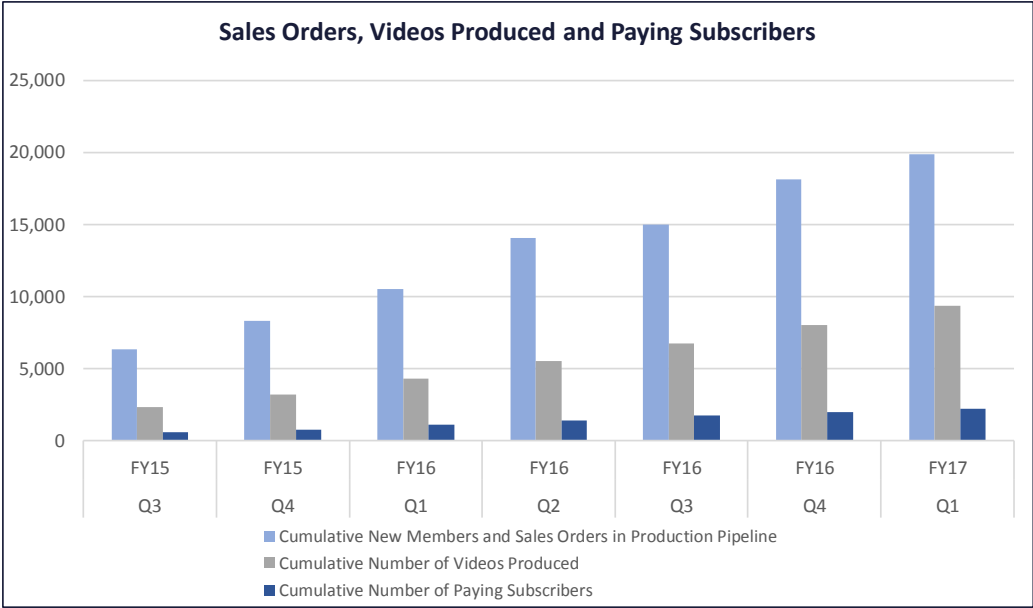


2. Introduction of Auto-generated Video Workflow Technology

The Company has been investing in building a large video content library that has now reached critical mass with 90TB of video content. The existence of this wholly owned library of video content allows BIG to implement its auto-generated video technology. BIG anticipate that the use of auto-generated video technology will increase Company productivity by around 60% and provide substantial savings going forward. This technology will enable the Company to deliver thousands of short videos per week to vertical markets. The auto-generated technology (*announced 13/10/16*) leverages the BIG video library by automatically generating customer specific videos at a cost of only \$2 per video, without the need send a film crew to the customer.

Historically, of the 7,000 members who received their BIG video, around 30% took up a paid subscription (see chart below). This model has resulted in considerable success for the company but also represents a significant opportunity to implement efficiencies by addressing the remaining proportion of customers whom have a relationship with BIG but have yet to take up a paid subscription. Implementing the delivery of auto-generated video technology to these members provides substantial cost savings. In addition, the technology facilitates immediate mass-market

penetration when combined with Electronic Direct Mail (EDM) campaigns and provides further cost savings in sales and marketing.



3. Joint Venture with The Intermedia Group

The joint venture (JV) with The Intermedia Group (“TIG”) provides BIG with several significant market opportunities. The JV is expected to increase advertising and sponsorship revenue by leveraging TIG’s existing large brand advertiser relationships. In addition the agreement provides BIG with access to TIGs 300,000 Australian SME subscription base (announced 13/9/16). When combined with the implementation of auto-generated video technology, this relationship will significantly reduce marketing costs and provide BIG with additional market penetration.

The Company is currently progressing discussions with other international media groups with a view to replicating the Australian model in key overseas markets.

Status of BIGs Video Content Library September Quarter

Allowing the Implementation of Auto-generated Video Technology And Providing Further Revenue Opportunities FY2016/17

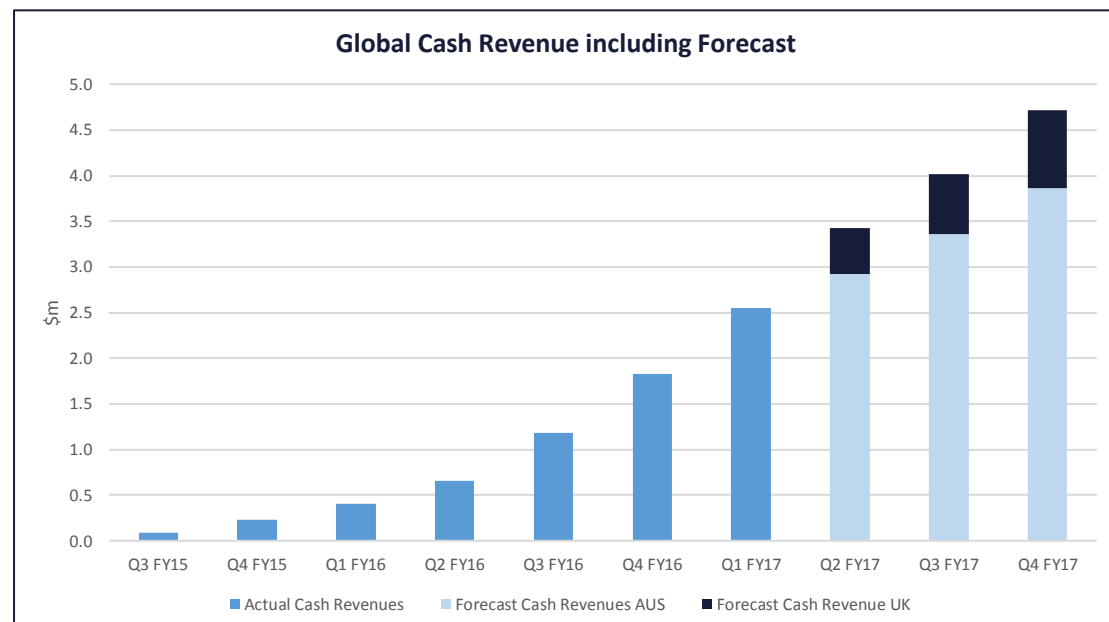
The Company's business model incorporates the licensing of video content and technology to businesses and organisations. Big Review TV retains ownership and copyright of all video content produced. During September quarter, the Company's video library reached around 90TB of video content equating to over 60,000 hours. BIG are now in a position to realise the financial benefits of amassing a valuable video library in a market with extremely high demand for video content. Analogous to Getty Images and Shutterstock, BIG will be looking to further monetise the comprehensive video library it has created.

Outlook

UK Revenues Come Online in October with Further Revenue Streams to Follow

BIG has recently announced that UK revenues have started to activate as proof of the success of its international rollout strategy (announced 26/10/16) BIG expects the UK market results to replicate the Australian business metrics. BIG has filmed over 1000 US based businesses and increased its library content from New Zealand, Vancouver, Hong Kong, and Singapore as part of establishing global beachheads to accumulate video content in overseas jurisdictions.

The company's business model is scalable and its disruptive video technology allows it to cross international borders without regulatory inhibition. BIG anticipate growth opportunities in overseas markets to closely mirror the Australian market. The cost savings and efficiencies announced this quarter apply internationally. The Company entered the second quarter with strong growth, cost reductions and a clear pathway to profit. The Company anticipate being cash-flow positive globally during Q3FY16/17 and has sufficient capital to achieve this.



Hugh Massie, Chairman: *"We are delighted with the progress BIG has made in the past seven quarters which has built a Company poised for substantial global. Integral in this strategy has been the development of our video library, auto-generation, and strategic partnerships with major media organisations, in particular The Intermedia Group, which will provide BIG with access to extensive customer networks with urgent need for video"*

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ABOUT BIG REVIEW TV

BIG (ASX: BIG) is the parent company of Big Review TV Ltd. Big Review TV are innovative disruptors in the online video space delivering subscription based video technology products and services. The Company has operations across Australia and in New Zealand, the United Kingdom and the United States, Hong Kong, Singapore and Vancouver and was listed on the ASX in December 2014.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Big Un Limited

ABN

86 106 399 311

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	2,552	2,552
1.2	Payments for		
	(a) staff costs and contractors	(2,182)	(2,182)
	(b) advertising, marketing and sales commissions	(1,068)	(1,068)
	(c) research & development and technology	(391)	(391)
	(d) leased assets	(2)	(2)
	(e) other working capital	(552)	(552)
	(f) realised currency gains	(1)	(1)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	2	2
1.5	Interest and other costs of finance paid	(3)	(3)
1.6	Income tax refund (R&D Tax Concession)	343	343
1.7	Other (Refund of GST paid)	13	13
	Other (Refund from Department of Natural Resources and Mines regarding Security Deposit)		
Net operating cash flows		(1,289)	(1,289)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,289)	(1,289)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(63)	(63)
(e) other non-current assets (software application)	(18)	(18)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities (Note: Loan to Big Review TV Limited)		
1.12 Loans repaid by other entities (Note: Loan repayments – from Auroch Minerals)		
1.13 Other (Cash acquired on acquisition of Big Review TV Limited)		
	(81)	(81)
Net investing cash flows		
1.14 Total operating and investing cash flows	(1,370)	(1,370)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (Capital raising costs)	(203)	(203)
	(203)	(203)
Net financing cash flows		
Net increase (decrease) in cash held	(1,573)	(1,573)
1.21 Cash at beginning of quarter/year to date	3,848	3,848
1.22 Exchange rate adjustments to item 1.20	3	3
1.23 Cash at end of quarter	2,272	2,272

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(136)
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
	<ul style="list-style-type: none"> - Remuneration paid to directors : \$135,765 	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	
3.2	Credit standby arrangements	

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash


Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	2,272	3,848
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	2,272	3,848

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 27 October 2016
Company secretary

Print name: Elissa Lippiatt

+ See chapter 19 for defined terms.

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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