

ASX Company Announcement | Issue Date: 27 April 2016

PROSPECTUS

The attached Prospectus has been prepared to allow Newzulu Limited (**Company**) to comply with its requirements under the *Corporations Act 2001* (Cth) in relation to the placement completed on 27 April 2016.

- ENDS -

For further information please contact:

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Karen Logan
Company Secretary
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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 New York, Newzulu operates bureaus in London, Paris, Los Angeles and Toronto. Newzulu operates in partnership with Associated Press (AP), Getty Images, Tribune Content Agency and Alamy in the United States, Agence France-Presse (AFP) in France, Press Association (PA) and Videoplugger in the UK & Ireland, Belga News Agency in Belgium, Canadian Press (CP) in Canada, Aflo Co., Ltd in Japan, Australian Associated Press (AAP) in Australia, ITAR TASS in Russia, Norwegian News Agency (NTB) and YAY Images in Norway, Agenzia Nazionale Stampa Associata (ANSA) in Italy, ddp Images in Germany, East News in Poland, TT Nyhetsbyrå in Sweden, Agencia EFE in Spain, Wikono Societed Limitada and GtresOnline in Spain and South America, Northfoto in Eastern Europe. Further information can be found on www.newzululimited.com.

NEWZULU LIMITED

ACN 078 661 444

PROSPECTUS

For the offer of up to 1,000 Shares at an issue price of \$0.01 per Share to raise approximately \$10 (before expenses).

This Prospectus has been prepared primarily for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Charles Koones
Non-Executive Chairman

Alexander Hartman
Managing Director

James J Bodel
Non-Executive Director

Philip Kiely
Non-Executive Director

Company Secretary

Karen Logan

Share Registry*

Computershare Investor Services
Level 11
172 St Georges Terrace
Perth WA 6000

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Registered Office

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West Perth WA 6005

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Website: www.newzululimited.com

Lawyers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditors*

KPMG
235 St Georges Terrace
Perth WA 6000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE

Lodgement of Prospectus with the ASIC and ASX	27 April 2016
Opening Date of Offer	27 April 2016
Closing Date of Offer*	27 April 2016

* The Directors reserve the right to extend the Closing Date at any time after the Opening Date without notice.

3. IMPORTANT NOTES

This Prospectus is dated 27 April 2016 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The expiry date of the Prospectus is 13 months after the date the Prospectus was lodged with the ASIC. No Shares will be issued on the basis of this Prospectus after the expiry date.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk Factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 8 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

3.2 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

3.3 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information or representations not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

4. DETAILS OF THE OFFER

4.1 Summary of the Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 1,000 Shares at an issue price of \$0.01 per Share payable in full on application, to raise up to \$10 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date.

Relevantly, Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

4.2 Opening and Closing Date of the Offer

The Opening Date of the Offer will be 9:00am AWST on 27 April 2016 and the Closing Date for the Offer will be 3:00pm AWST on 27 April 2016.

The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

4.3 Minimum Subscription

There is no minimum subscription in respect of the Offer.

4.4 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.01 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
Newzulu Limited C/- Computershare Investor Services Level 11 172 St George's Terrace Perth WA 6000	Newzulu Limited C/- Computershare Investor Services Level 11 172 St George's Terrace Perth WA 6000

4.5 Underwriter

The Offer is not underwritten.

4.6 ASX Listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

4.7 Issue of Shares

The issue of Shares offered under the Offer will take place as soon as practicable after the Closing Date.

4.8 Restrictions on the Distribution of the Prospectus

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

4.9 Enquiries

Any questions concerning the Offer should be directed to Ms Karen Logan, Company Secretary on +61 8 9321 0715.

5. DETAILS OF PLACEMENT

5.1 General Background

On 20 April 2016, the Company announced that it will issue approximately 500,000,000 new Shares at an issue price of \$0.01 per Share to raise \$5,000,000 pursuant to a placement to strategic and sophisticated investors (**Placement**). The Shares will be issued as follows:

(a) General Placement

- (i) The issue of 108,803,978 Shares to raise \$1,088,040. These Shares were issued on 27 April 2016 under the Company's 15% placement capacity (**Tranche 1 Placement**); and
- (ii) The issue of 22,349,412 Shares to raise \$223,494, subject to Shareholder approval (**Tranche 2 Placement**).

- (b) A placement of 368,846,610 Shares amongst Seven West Media Investments Limited (**Seven**) and an associate of Thorney Investment Group Australia Pty Ltd, Tiga Trading Pty Ltd (**Thorney**) to raise \$3,688,466, subject to Shareholder approval (**Cornerstone Investor Placement**).

Subject to Shareholder approval, the Company proposes to issue 90,000,000 Options amongst Seven and Thorney as follows:

- (a) 72,000,000 Options exercisable at 2 cents per Option on or before that date which is 3 years from the date of issue of the Options; and
- (b) 18,000,000 Options exercisable at 3 cents per Option on or before that date which is 3 years from the date of issue of the Options.

The Company also announced on 20 April 2016, its intention to undertake a fully underwritten entitlement issue to issue approximately 200,000,000 Shares at \$0.01 per Share to raise approximately \$2,000,000 (**Entitlement Issue**). It is the Company's current intention to launch the Entitlement Issue following completion of the Tranche 1 Placement.

5.2 Purpose of the Placement

The purpose of the Placement is to grow sales revenues from the Company's Technology, Content and Creative business units, with a particular focus on the USA market. In addition to providing funds for maintaining and enhancing the Company's technology assets and funds raised from the Placement will also be used for general working capital and to cover the costs of the Placement.

5.3 Use of Funds raised under the Placement

The Company intends to apply the funds raised from the Placement as follows:

Activity	Funds
Operational, journalistic and technical costs of the Newzulu business	\$2,600,000
Product development costs	\$850,000
Costs associated with pursuing expansion plans in the United States market	\$650,000

Restructuring costs	\$500,000
General working capital	\$82,500
Costs of the Placement	\$317,500
Total	\$5,000,000

Actual expenditure may differ significantly from the above estimates due to a number of factors including the implementation of the current business plan and Company growth strategy. Please refer to the risk factors summarised in Section 8 for further details.

6. PURPOSE AND EFFECT OF THE OFFER

6.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus).

Under the Offer, an amount of approximately \$10 (before expenses) will be raised. All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 9.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

6.2 Effect of the Offer

The effect of the Offer on the capital structure of the Company is set out below.

Shares – Completion of Tranche 1 Placement

	Number
Shares currently on issue	725,359,854
Shares offered pursuant to the Offer	1,000
Shares offered pursuant to the Tranche 1 Placement	108,803,978
Total Shares on issue after completion of the Offer and the Tranche 1 Placement¹	834,164,832

Shares – Completion of balance of Placement and Entitlement Issue

Following completion of the Offer and the Tranche 1 Placement and after Shareholder approval is obtained for the Tranche 2 Placement and Cornerstone Investor Placement and the Entitlement Issue is completed, the Company will have the following Shares on issue:

	Number
Shares on issue after completion of the Offer and the Tranche 1 Placement	834,164,832
Shares offered pursuant to the Tranche 2 Placement	22,349,412
Shares offered pursuant to the Cornerstone Investor Placement	368,846,610
Shares offered pursuant to the Entitlement Issue	200,000,000
Total Shares on issue after completion of the Placement and Entitlement Issue	1,425,360,854

Options

	Number
Options currently on issue (all unlisted):	
Exercisable at \$0.30 on or before 30 June 2017	500,000
Exercisable at \$0.10 on or before 30 June 2017	24,000,000
Exercisable at \$0.075 on or before 31 August 2017	43,859,665
Exercisable at \$0.20 on or before 31 October 2017	2,000,000
Exercisable at \$0.20 on or before 9 February 2018	5,500,000
Exercisable at \$0.20 on or before 9 February 2018	5,000,000
Options offered pursuant to the Offer	Nil
Options to be issued to Mr Charles Koonos (subject to Shareholder approval) ¹	5,000,000
Options to be issued to Seven and Thorney (subject to Shareholder approval)	
Exercisable at \$0.02 on or before 3 years from the issue date	72,000,000
Exercisable at \$0.03 on or before 3 years from the issue date	18,000,000
Total Options on issue after completion of the Offer and issue of Options to Seven and Thorney (subject to Shareholder approval)³	175,859,665

Notes

1. As disclosed in the ASX release dated 12 February 2016, subject to Shareholder approval the Board proposes to issue 5,000,000 Options with an exercise price of \$0.02 per Option and expiring 12 February 2019 to Mr Koonos in addition to his director's fees as described in Section 9.5 of this Prospectus.
2. Assuming no other Options are exercised.

Performance Rights

	Number
Performance Rights on issue at date of Prospectus	550,000
Performance Rights to be issued pursuant to Shareholder approval obtained on 2 March 2016	550,000
Performance Rights offered pursuant to the Offer	Nil
Performance Rights on issue after completion of the Offer	1,100,000

6.3 Financial Effect of the Offer

After paying for the expenses of the Offer of approximately \$15,000, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$10) will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position, being receipt of funds of \$10 less expenses of the Offer of \$15,000.

7. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

7.1 General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act.

7.2 Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

7.3 Dividend Rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a Share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company,

that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

7.4 Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

7.5 Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements that the registration of the transfer does not result in a contravention of or failure to observe the provisions of a law of Australia and the transfer does not breach the Corporations Act and the ASX Listing Rules.

7.6 Future Increase in Capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

7.7 Variation of Rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

8. RISK FACTORS

8.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

8.2 Company specific

(a) Limited Operating History

The Company, in respect to the business segment acquired from "Newzulu Limited" (now named "Newzulu Holdings Limited") in August 2014, has a limited operating history and the potential of its business model is continuing to evolve and develop. No assurances can be given that the Company will achieve commercial viability through the successful implementation of its business plans.

In addition, there is the risk that the Company's technical platforms may not function as intended, including with respect to scalability and coping with increasing numbers of users or client numbers. This may lead to the Company's reputation suffering amongst users, contributors and its partners.

(b) Future Capital Needs and Additional Funding

The future capital requirements of the Company will depend on many factors including its business development activities and the successful completion of client trials. The Board continues to assess the Company's current cash reserves and the net proceeds of the Placement will provide funds for its business development activities, business plan and other Company objectives in the short term. Additional development costs to meet client needs, unanticipated costs relating to the Company's expansion strategy, market conditions and business opportunities may mean further funding is required by the Company, the Group and/ or a business unit.

There can be no assurance that additional funds will be available on acceptable terms, or at all. The Company's failure to obtain sufficient funds if and when needed could:

- (i) delay or suspend the Company's business development activities, business plan and other Company objectives; or

- (ii) have a material adverse effect on the Company's business and its financial condition and performance and the Company's ability to continue as a going concern.

Further funding may be required to meet the Company's objectives and working capital costs in the medium to long term. The Company may be required to undertake additional capital raisings and/or establish additional debt facilities to develop its business development activities and meet its objectives and working capital costs in the medium to long term.

(c) **Reliance on Key Employees**

The Company's ability to effectively execute its growth strategies depends upon the performance and expertise of key employees, including those with valuable technological skills and specialist knowledge of the Company's business model and markets. The departure of certain key employees, including Mr Alexander Hartman and Mr Marc Milgrom, and any delay in their replacement or indeed any failure to adequately replace them, is likely to hinder the Company's ability to achieve its strategic growth objectives and financial performance goals. In addition, in order for the Company to achieve its growth objectives it will likely be required to engage the services of additional key management personnel with appropriate experience and technological skills. There is no guarantee that the Company will be able to attract and retain appropriately qualified personnel in these areas. Any failure to do so is likely to also hinder the Company's ability to achieve its strategic growth objectives.

(d) **Failure to Deal with Growth**

The Directors will continue to seek to grow the Company both organically and through new investment opportunities. There are always risks that the benefits, synergies or efficiencies expected from such investments or growth may take longer than expected to be achieved or may not be achieved at all. Any investments pursued could have a material adverse effect on the Company.

There is a risk that management of the Company will not be able to implement the Company's growth strategy. The capacity of the management team to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

The Company's business has the potential to grow rapidly. If that occurs and the Company fails to properly manage that growth, then that failure could harm its business. Any failure to meet user and contributor demand properly could adversely affect the business, including demand for Newzulu's products, services, revenue collection, user and contributor satisfaction and public perception.

(e) **Industry Competition**

The Company's future performance may be affected by the level of competition in the crowd-sourced news market in which it operates. Whilst the Company is an early mover in the industry, new or existing competitors may be successful in offering alternative or preferred crowd-sourced news platforms for citizen and freelance journalists and

photographers and may enter into strategic partnerships with recognised press associations which enhance their business at the expense of the Company.

The Company's future performance may also be affected by the level of competition in the media and branding markets in which it operates. Whilst the Company has enjoyed success in these industries to date, new or existing competitors may be successful in offering alternatives for media outlets, brands, agencies, enterprises and content producers to the Newzulu platform.

(f) **Attracting Traffic to Websites**

The Company's growth strategy and future revenues depend on, amongst other things, attracting sufficient web traffic to its websites. The level of web traffic to the Company's websites is likely to directly influence the number of Contributors to its platforms, the ability of the Company to enter into further agreements or arrangements with clients and its ability to generate revenue from its platforms and advertising. Various factors can affect web traffic arriving at the Company's websites including, but not limited to:

- (i) marketing – if the Company's marketing and promotional efforts are not effective, a lack of web traffic is likely to result;
- (ii) brand damage – if the Company suffers from reputational damage (refer to other risks in this Section 8), the level of web traffic may be adversely impacted; and
- (iii) search engine traffic – search engines direct significant traffic to the Company's websites. Should any of the major search engines make changes to their algorithms and procedures that direct this traffic, the Company may experience a reduction in web traffic.

A decline in web traffic to the Company's websites could adversely impact the Company's ability to generate new business and revenue streams and result in it failing to achieve its strategic growth objectives.

(g) **User-Generated Content**

The Company's business is based upon the contributions of citizen and freelance journalists and photographers to its platforms. The Company has screening and reporting mechanisms in place for identifying inappropriate or objectionable contributions. If these mechanisms fail to adequately identify any such contributions prior to publication, the Company may, by reason of its publication of the user-generated content, be implicated in objectionable or illegal activity which exposes it to law enforcement investigation or action, or a civil dispute. Any such occurrence may cause the Company to suffer financial loss and may lead to the Company's reputation suffering amongst users, contributors and its partners.

The Company's business also involves the licencing of its user-generated content publishing platform to its clients. The Company has moderation tools for use by client personnel to identify and moderate inappropriate or objectionable content. If these tools fail to adequately handle content upon human approval or denial actions, the Company may, by reason

of its software enabling the publication of the user-generated content, be implicated in objectionable or illegal activity which exposes it to law enforcement investigation or action, or a civil dispute. Any such occurrence may cause the Company to suffer financial loss and may lead to the Company's reputation suffering amongst its clients.

(h) **Reputational Risks**

The Company operates in an online and fast-changing environment. Negative publicity can spread quickly, whether true or false. Disgruntled users posting negative comments about the businesses in public forums may have a disproportionate effect on the Company's reputation and its ability to earn revenues and profits. Additionally, complaints by such users can lead to additional regulatory scrutiny and a consequential increased compliance burden in responding to regulatory enquiries. This could negatively impact upon the Company's profitability

(i) **Reliance on Core Information Technology and Other Systems**

The operation of the Company's platforms is dependent upon the performance, reliability and availability of its information technology and communication systems. This includes its core technologies such as computer servers and back-end processing systems. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war or a breakdown in utilities such as electricity and fibre optic cabling. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage that the Company suffers as a result of a system failure.

Any damage to, or failure of, the Company's key systems can result in disruptions in the Company's ability to operate its various crowd-sourced news platforms and other services. Such disruptions have the potential to reduce the Company's ability to generate revenue, impact consumer service levels and damage the Company's brands. This could adversely affect the Company's ability to generate new business and cause it to suffer financial loss.

The media and communications industry is also subject to rapid and significant changes in technology and the impact of these changes on the Company and its businesses cannot be predicted. The costs associated with implementing emerging and future technology changes could be significant.

(j) **Reliance on Third Party IT Service Provision**

The Company utilises equipment, software, hosting and other services provided by third parties to maintain and deliver its Software as a Service platforms. Significant or extended disruption of the Company's platforms caused by supplied equipment, software or service failure may reduce the Company's ability to generate revenue, impact client and consumer service levels and may damage the Company's brands. This could adversely affect the Company's ability to generate new business and

cause it to suffer financial loss. Any mitigation of this loss via redress from third party suppliers may not be immediately available, if at all.

(k) **Intellectual Property**

The Company has developed a system architecture, specialised technology and algorithms for its business. In particular, the Company has developed methodologies for validating content ownership and credibility, live video streaming and integration between its different platforms. The Company has also sought and received protection of certain of its intellectual property, namely trademarks which have been registered in Australia, Canada, the United States and Europe.

The laws relating to intellectual property assist to protect the Company's proprietary rights in the intellectual property relevant to the Company's businesses. However, trade mark registration, although an indicator of valid intellectual property ownership, is not indefeasible as any errors in the registration process can lead to registration being challenged or revoked. Accordingly, the Company cannot be certain that the validity, ownership or authorised use of intellectual property relevant to the Company's businesses will not be successfully challenged by third parties. In addition, there can be no guarantee that unauthorised use or copying of the Company's software, data, specialised technology or algorithms will be prevented.

(l) **Privacy and Media Law**

The environment in which the Company operates is subject to complex and evolving Australian and foreign policies, laws and regulations regarding privacy, data protection, defamation, obscene material, content regulation, intellectual property (see further above), competition, distribution of electronic contracts and other communications, protection of minors, consumer protection, taxation, online payment services and advertising and marketing standards.

Foreign data protection, privacy, and other laws and regulations are often more restrictive than those in Australia. In some cases, laws or regulations in one country may be inconsistent with, or contrary to, those of another country. In particular, the European Union (**EU**) and its member states have traditionally taken a broader view as to types of data that are subject to privacy and data protection, and have imposed greater legal obligations on companies in this regard. Data protection has been under review in the EU in recent years, with the European Privacy Directive 95/46/EC expected to be replaced in 2015 by new legislation known as the EU General Data Protection Regulation. The proposed new EU data protection regime extends the scope of the EU data protection law to all foreign companies processing data of EU residents. It provides for harmonisation of data protection regulations throughout the EU, but imposes a strict data protection compliance regime and provides for strict penalties. Privacy laws in France are particularly restrictive and make it an offence to take, record or transmit a recording or picture of a person taken without their consent (which is presumed when a recording or picture is taken openly and publicly).

The media industry in Australia, the EU and other places around the world has the potential to become subject to even higher levels of regulation by government. It is likely applicable laws and regulations will continue to change in an effort to keep up with the rapidly evolving industry. Due

to their evolving nature, many of these laws and regulations are subject to uncertain interpretation. It is difficult to predict how existing and new laws and regulations will be applied to the Company or their respective businesses. It is possible that they may be interpreted and applied in a manner that is inconsistent with current practices or detrimental to the Company.

Existing and new laws and regulations applicable to the media industry can be costly to comply with, delay or impede the development of new products and services, require changes to business practices, result in negative publicity, lead to declines in user growth or engagement, require significant time and attention of management and technical personnel and subject the Company to inquiries or investigations, claims or other remedies, including monetary penalties, or otherwise harm the Company's business.

(m) **Security Breaches**

The Company collects, stores and processes highly sensitive, highly regulated and confidential information. The provision of secure and reliable information storage and processing services is integral to the businesses and operations of the Company in the media and communications industry.

Whilst the Company follows best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise risks, there is no guarantee that the implementation of such precautions will be sufficient to prevent data security breaches and information being compromised or misused.

A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of contributors' and client data and business systems used to run the Company at risk. The impact of loss or leakage of contributor, client or business data could include potential service disruption, litigation, liability to third parties, penalties imposed by government agencies under applicable laws and brand damage resulting in reduced or falling revenues. These potential losses or liabilities will be different for each jurisdiction in which the Company operates.

There is also currently an increased exposure to organisations that process personal information in the course of their commercial activities, in particular, relating to liability arising from security incidents. Although the Company is relatively small, vulnerabilities in the information security governance will require remediation in the near future.

(n) **Changes in the Nature of the Media Industry**

The Company's businesses may be affected by changes in the nature of the media industry, for example, changes to demand for different media products and services. As the Company's businesses include the publication and circulation of media in different forms, these changes may, depending on their nature and the business model at the relevant time, impact the demand for the Company's services and products and their financial performance.

(o) **Overseas Operations and Expansion**

The Company is presently headquartered in Paris and has established bureaus (i.e. local representative offices) in New York, London, Sydney, Toronto, Montreal, Toronto, Los Angeles and Paris.

Should the Company seek to expand into additional overseas markets, it may require a physical presence in those countries and an associated increase in overheads and development and marketing costs. There is the risk that the costs of doing business in that market, including the costs of establishing a new base in-country, overseas regulatory compliance and the potential duplication of running costs for the business, are such that the Company's available working capital may be adversely impacted.

(p) **Large Shareholders**

The Company has a number of shareholders with relatively large shareholdings. An expectation by the market that one or more of those shareholders may sell all or a substantial portion of its shareholding, or the actual sale of such a shareholding, could have a negative effect on the price of the Shares.

(q) **Potential Acquisitions**

As part of its overall business strategy, the Company may from time to time make acquisitions of or significant investments in companies, products or technologies. Any such future transaction would be accompanied by the risks commonly encountered in making acquisitions of companies, products or technologies.

8.3 General Risks

General economic conditions, movements in commodity prices, interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

(a) **Security Investments**

There are risks associated with any securities investment. The prices at which the Shares trade on the Official List may fluctuate in response to a number of factors including:

- (i) the recruitment or departure of key personnel;
- (ii) actual or anticipated changes in estimates as to financial results, development timelines or recommendations by securities analysts;
- (iii) variations in the Company's financial results or those of companies that are perceived to be similar to the Company including changes caused by changes in financial accounting standards or practices or taxation rules or practices;
- (iv) announcements regarding litigation or other proceedings that involve the Company;
- (v) war or acts of terrorism or catastrophic disasters that disrupt world trade or adversely affect confidence in financial markets;

- (vi) other general economic, industry and market conditions; and
- (vii) other factors described in this Section 8.

(b) **Share Market Conditions**

The market price of the Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Liquidity Risk**

There is no guarantee that there will be an ongoing liquid market for the Shares. Accordingly, there is a risk that, should the market for the Shares become illiquid, Shareholders will be unable to realise their investment in the Company.

(d) **Economic Risk**

Factors such as inflation, currency fluctuations, interest rates and supply and demand of capital have an impact on business costs and stock market prices. The Company's operating costs, possible future revenues and future profitability can be affected by these factors which are beyond the control of the Company.

(e) **Foreign Exchange Risk**

The Company operates internationally and, presently, in five (5) major currencies. Accordingly, fluctuations in prevailing exchange rates affect the Company's profitability and financial position. For example, the Company pays a website hosting provider in US dollars. If the Australian dollar falls relative to the US dollar, those costs increase in Australian dollar terms, potentially reducing the Company's profitability.

Currently, most of the Company's revenues are in Canadian dollars and Euros and most of its costs are in Euros, Canadian dollars and Australian dollars.

However, the mix of currencies in which the Company pays its costs and earns its revenues is changing over time. As that mix changes, there may be a greater impact on profitability in Australian dollar terms.

The Company's financial statements are prepared and presented in Australian dollars, and any appreciation in the Australian dollar against other currencies in which the Company transacts may adversely affect its financial performance and position.

(f) **Insurance**

The Company will, where possible and economically practicable, endeavour to mitigate some business risks by procuring relevant insurance coverage. However, such insurance coverage may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance coverage.

(g) **Third Party Risks**

The operations of the Company will require the involvement of a number of third parties, including suppliers, contractors and customers. Financial failure, default or contractual noncompliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect itself against all such risks.

(h) **Policies and Legislation**

The introduction of new legislation or amendments to existing legislation by governments, and the decisions of courts and tribunals, can impact adversely on the assets, operations and, ultimately, the financial performance of the Company.

Any adverse developments in political and regulatory conditions in the countries in which the Company could conduct business, could materially affect the Company's prospects. Political changes, such as changes in both monetary and fiscal policies, expropriation, methods and rates of taxation and currency exchange controls may impact the performance of the Group as a whole.

9. ADDITIONAL INFORMATION

9.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

9.2 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
27/04/2016	Release from voluntary escrow
21/04/2016	Newzulu restructures senior management team
20/04/2016	Reinstatement to official list
20/04/2016	NWZ completes \$5 million placement and offers entitlement issue
18/04/2016	Request for extension of voluntary extension
11/04/2016	Request for extension of voluntary suspension
06/04/2016	Suspension
05/04/2016	Shareholders Webinar – Newzulu Product Showcase
04/04/2016	Trading Halt
01/04/2016	Corporate Update
23/03/2016	Newzulu signed new US content partner
07/03/2016	Newzulu signs partnership with SWS
04/03/2016	Newzulu signs agreement with Crowd Mobile
02/03/2016	Results of Meeting
22/02/2016	Investor Presentation – February 2016
22/02/2016	Investor Update and Video
22/02/2016	Newzulu restructures to deliver enhanced growth and reduce
22/02/2016	Appendix 4D and Interim Financial Report
19/02/2016	Appendix 3B – Release from escrow
12/02/2016	Initial and Final Directors' Interests Notices
12/02/2016	Newzulu appoints independent Chairman in the USA
11/02/2016	Newzulu signs new Platform clients in North America

Date	Description of Announcement
03/02/2016	Newzulu signs partnership with Agencia EFE
03/02/2016	Update on the Newzulu ADR Program
01/02/2016	Rescheduling of General Meeting
01/02/2016	Newzulu to commence trading on OTCQZ in the USA
29/01/2016	Appendix 4C – December 2015 Quarterly Report
25/01/2016	Release from escrow
25/01/2016	Notice of General Meeting/Proxy Form
22/01/2016	Newzulu extends strategic partnership with AFP
04/01/2016	Investor Presentation – January 2016
31/12/2015	Final Director's Interest Notice
31/12/2015	Resignation of Director
30/12/2015	Change in substantial holding
29/12/2015	Change in substantial holding
24/12/2015	Prospectus
24/12/2015	Appendix 3B
21/12/2015	Reinstatement to Official Quotation
21/12/2015	Newzulu Raises \$3 Million to Accelerate International Growth
16/12/2015	Newzulu Signs Content Partner Agreement with Associated Press
15/12/2015	Suspension
11/12/2015	Trading Halt
10/12/2015	Newzulu signs agreement with ABC News
25/11/2015	Results of Meeting
25/11/2015	AGM Presentation
25/11/2015	NWZ signs major US news producer to support UGC news channel
06/11/2015	ASX Listing Rule 4.10.19 Confirmation
29/10/2015	Appendix 4C – September Quarterly Report
27/10/2015	Notice of Annual General Meeting/Proxy Form
05/10/2015	Change of Director's Interest Notice
02/10/2015	Change of Director's Interest Notice
02/10/2015	Change in substantial holding
01/10/2015	Prospectus
01/10/2015	Appendix 3B
30/09/2015	Corporate Governance Statement and Appendix 4B

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website at www.newzululimited.com.

9.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	\$0.039	27 January 2016
Lowest	\$0.015	20 April 2016
Last	\$0.017	26 April 2016

9.4 Substantial Shareholders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Alexander Hartman, Mr Peter Scarf and their associates ¹	167,509,388	23.09
Blueroom Capital Pty Ltd, Mr James Gerard Bodel and Ms Pia Lisbeth Rasmussen	96,378,447	13.28

Notes:

1. The associated entities of Mr Hartman and Mr Scarf are:
 - (a) Matilda Media Pty Ltd ACN 133 591 250 (**Matilda Media**) atf the Matilda Media Trust, the registered holder of 55,617,482 Shares;
 - (b) Wyuna Group Pty Ltd ACN 133 589 769 atf the Wyuna Group Trust, the registered holder of 56,924,276 Shares and a shareholder of Matilda Media; and
 - (c) Gandalf Holding (NSW) Pty Limited ACN 087 674 637 atf the Gandalf Trust, the registered holder of 35,643,743 Shares and a shareholder of Matilda Media.
 Mr Hartman is the registered holder of 9,514,807 Shares and a beneficiary of the Matilda Media Trust.
 Mr Scarf is the registered holder of 9,809,080 Shares and a beneficiary of the Matilda Media Trust.

9.5 Interests of Directors

Security Holdings

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or the Offer. Directors' relevant interests in securities of the Company at the date of this Prospectus and remuneration information (including amounts paid in consulting fees) for the current and last two financial years is set out below:

Director	Shares	Options
Alexander Hartman ¹	100,776,032	20,000,000
James J Bodel	1,000,000	Nil
Philip Kiely ²	6,328,063	438,597
Charles Koonen ³	Nil	5,000,000

Notes:

- 1. Also refer to Section 9.4 for further details of Mr Hartman's associated entities.
- 2. All Shares and Options are held by eCrucis Pty Ltd <Kiely Superannuation Fund>. Mr Kiely is a beneficiary of the trust and a director and shareholder of the trustee, eCrucis Pty Ltd.
- 3. Subject to Shareholder approval, Mr Koonen will be granted with 5,000,000 Options.

No Directors or any of their associates intend to participate in the Offer.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and

other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the annual remuneration paid to both executive and non-executive Directors inclusive of superannuation for the past financial year and the proposed remuneration for financial year 2016.

	Financial Year 2016 (\$)	Financial Year 2015 (\$)
Alexander Hartman ¹	533,258	623,671
James J Bodel ²	43,800	8,948
Philip Kiely ³	43,800	43,800
Charles Koonos ⁴	52,444	Nil
TOTAL	673,302	676,419

Notes:

1. Appointed on 14 August 2014.
2. Appointed on 18 March 2015.
3. Appointed on 28 March 2014.
4. Appointed on 12 February 2016.
5. Mr Peter Gunzburg resigned from the Board on 31 December 2015 and Mr Theo Hnarakis resigned from the Board on 12 February 2016.

9.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or

- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer and associated due diligence process. The Company estimates it will pay Steinepreis Paganin \$7,500 (excluding GST and disbursements) for these services.

9.7 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

9.8 Estimated Expenses of Offer

The estimated expenses of the Offer are estimated to be approximately \$15,000 (excluding GST) and are expected to comprise legal fees, printing and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

9.9 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on + 61 8 9321 0715 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.newzululimited.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

9.10 Clearing House Electronic Sub-Register System ("CHESS") and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

9.11 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8 of this Prospectus.

9.12 Privacy Act

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry, and related bodies corporate, agents, contractors and third party service providers of the foregoing (**Collecting Parties**). The Collecting Parties collect, hold and will use that information to assess your Application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (**Personal Information**) to the Collecting Parties where necessary, for any purpose in connection with the Offer, including processing your acceptance of the Offer and complying with applicable law, the ASX Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any Public Authority.

If you do not provide the information required in the Application Form, the Company may not be able to accept or process your acceptance of the Offer.

If the Offer is successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of Shareholders, including bidders for your securities in the context of takeovers, Public Authorities, authorised securities brokers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the Privacy Act 1988 (Cth) and all other legal requirements. If obliged to do so by law or any Public Authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no longer required, it will be destroyed or de-identified. As at the date of this Prospectus, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory in Section 1 of this Prospectus. A fee may be charged for access.

10. DIRECTORS' CONSENT

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Prospectus with the ASIC.

Alexander Hartman
Managing Director
For and on behalf of
NEWZULU LIMITED

11. DEFINITIONS

Applicant means an investor that applies for Shares under the Offer using an Application Form pursuant to this Prospectus.

Application Form means the Application Form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the Listing Rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means closing date for receipt of an Application Form as set out in Section 2 (unless extended or closed early).

Company or Newzulu means Newzulu Limited (ACN 078 661 444).

Constitution means the constitution of the Company as at the date of this Prospectus.

Cornerstone Investor Placement has the meaning given to that term in section 5.1(b) of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means directors of the Company at the date of this Prospectus.

Dollar or "\$" means Australian dollars.

Entitlement Issue has the meaning given to that term in section 5.1 of this Prospectus.

Group means the Newzulu group of companies.

Offer means the offer of Shares referred to in the "Details of the Offer" section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date for receipt of an Application Form under this Prospectus as set out in Section 2.

Option means an option to acquire a Share.

Performance Rights means the performance rights issued to Marc Milgrom, Stephen Hulford and David Minogue on the terms and conditions approved at a general meeting of Shareholders on 30 January 2015.

Placement means the placement described in section 5.1 of this Prospectus.

Prospectus means this Prospectus.

Seven has the meaning given to that term in section 5.1(b) of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Share Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).