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Companies Announcements Office
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SYDNEY NSW 2000

ANNOUNCEMENT FOR RELEASE TO THE MARKET
REELTIME MEDIA LIMITED
ASX: RMA

Acquisition of Alkemi

ACQUISITION OF ALKEMI INTERNATIONAL PTY LTD

Reeltime Media Limited (**Reeltime** or the **Company**) is pleased to announce that it has entered into a Terms Sheet for the acquisition of 100% of the issued share capital in Alkemi International Pty Ltd (**Alkemi**) (**Acquisition**), with the sole shareholder of Alkemi (**Vendor**).

ABOUT ALKEMI

Alkemi was established in 1997 and is one of Australia's longest running providers of digital marketing services. Alkemi is recognised as the Australian industry leader in Conversion Rate Optimisation, having worked with over 400 online retailers in Australia including Kmart, Target, Mortgage Choice, Deals.com.au, Adrenalin.com.au, Budget, Bankwest and Fuji Xerox.

Alkemi also provides Google AdWords campaign setup and management and is a Google Partner.

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 up to \$400,000, and a share based component of ordinary shares in Reeltime up to the value of \$150,000. Payment of part of that consideration (\$50,000 shares and \$200,000 cash) is subject to performance standards being achieved within a 12 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 share sale agreement, and the Company undertaking to its satisfaction due diligence investigations on Alkemi and its business.

EMPLOYMENT OF PRINCIPAL

Alkemi's founder and Managing Director, Nathan Stewart, will be continuing with the Alkemi business.

The Acquisition, once completed, will provide Reeltime with a strong platform for expanding the provision of conversion rate optimisation services to its customer base. Conversion rate optimisation is a niche field of expertise and is becoming increasingly in demand as consumer purchasing behaviour shifts online. The acquisition further strengthens RMA's capabilities in the provision of online content to consumers in an effective manner.

Reeltime's Chief Executive Officer, James Mawhinney, said "The services provided by Alkemi align well with the high growth areas in digital marketing. The demand for conversion rate optimisation is increasing rapidly as it is a natural progression for online retailers, who are already investing in other forms of marketing, to seek out improved methods of converting website visitors to paying customers. The acquisition provides Reeltime with additional expertise in a specialist field and a noteworthy customer base that can be capitalised on through the referral networks that exist within the group."

ENQUIRIES

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

-ENDS