

ASX Company Announcement | Issue Date: 18 August 2015

NEWZULU TO RAISE \$5 MILLION TO ADVANCE EXPANSION STRATEGY

- Placement to high net worth, institutional investors and existing shareholders closed oversubscribed to raise \$5 million.
- Newzulu Live and Platform product offerings funded to pursue expansion strategy into USA and European markets.
- Directors and major shareholder continue to demonstrate confidence in the Company and its strategy via participation in the capital raising.

Newzulu Limited (ASX: **NWZ**) is pleased to announce that it will raise \$5 million to fund the group's global sales and client support infrastructure to underpin recent client signings and pursue expansion into the USA and European markets (**Placement**).

To date, Newzulu has made significant investment in research and technological development of Newzulu Platform and Newzulu Live product offerings. The group also continues to make investment in the establishment of global infrastructure to support major media outlets, broadcasters and brands as clients.

The funds raised from the Placement will be used to underpin Newzulu's global sales and client support infrastructure for its Editorial, Platform, Live and Prime product offerings, to support recent client signings, capitalise on partnerships and syndication agreements and pursue expansion into the USA and European markets. Additionally, the proceeds will be used for general working capital and to cover costs of the Placement.

The Company will issue approximately 87,719,298 fully paid ordinary shares at an issue price of \$0.057 per share (**Placement Shares**) to raise \$5 million under the Placement. The Placement Shares will be issued in two tranches, as follows:

- Tranche 1: Issue of approximately 85,087,719 Placement Shares to raise \$4,850,000 on or around 24 August 2015; and
- Tranche 2: Issue of approximately 2,631,579 Placement Shares to raise \$150,000, subject to shareholder approval.

Mr Theo Hnarakis and Mr Phil Kiely, non-executive directors of the Company, will subscribe for the Tranche 2 Placement Shares, subject to shareholder approval.

The Company is also pleased to have received strong support of its major existing shareholder Blueroom Capital Pty Ltd in the Placement. Mr James J Bodel represents Blueroom Capital on the Board of Newzulu.

Subject to shareholder approval, the Company proposes to issue options on a 1 for 2 basis exercisable at \$0.075 per option and expiring on 31 August 2017 to investors in the Placement. Shareholder approval was obtained for the issue of Placement Shares at the EGM held on 31 July 2015.

“We are delighted by the continuing strong support from all stakeholders in Newzulu. Newzulu is now well placed to deliver on the Company’s business plan and we look forward to delivering on the Company’s expansion strategy and reporting in the coming months on the progress of the Newzulu Live initiatives” said Alexander Hartman, Executive Chairman of Newzulu.

Wentworth Global Capital Partners Pty Ltd acted as lead manager to the Placement.

Newzulu is also in discussions with several media groups regarding potential cornerstone investors regarding making a strategic investment in the Company. The Company intends to appoint an advisor to conduct a formal process with interested parties. Newzulu will provide an update to the market on the proposed process upon appointing the advisor.

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For further information please contact:

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About Newzulu

Newzulu is a crowd-sourced media company that allows anybody, anywhere, with a mobile devices and a story, to share news, get published and get paid. Headquartered in Paris, Newzulu operates bureaus in London, New York, Los Angeles, Toronto and Sydney. In February 2015 Newzulu completed the acquisition of leading Toronto based user-generated content marketing software company Filemobile Inc. Newzulu operates in partnership with Getty Images, Tribune Content Agency, Alamy, Agence France-Presse (AFP) in France, Press Association (PA) in the UK & Ireland, ddp images in Germany, Canadian Press (CP) in Canada, Australian Associated Press (AAP) in Australia, Czech News Agency (CTK) in the Czech Republic, ITAR TASS in Russia and Aflo Co., Ltd in Japan. Further information can be found on www.newzululimited.com.