



ADEFFECTIVE LIMITED  
(ASX: ABN)

## ASX and Media Release

3 March 2011

### **AdEffective Signs Formal Agreement with Excite Digital Media for Online Marketing Services**

AdEffective Limited (AdEffective or the Company) is pleased to report that further to its earlier announcement in February 2011 in relation to the MOU entered into with one of Australia's largest and leading online marketing services companies, Excite Digital Media (Excite), a formal agreement between the parties has now been signed.

In line with the previously announced MOU under which Excite is to provide online marketing services for the Company's growing suite of owned and operated websites, the key terms of the agreement are as follows:

- The Marketing Services Agreement is for an initial period from February 2011 to 31 January 2012. The parties have the option to renew the agreement for a number of further 12 month periods.
- AdEffective will spend up to a maximum of \$120K per 3 month period on Excite marketing services provided that Excite delivers \$300K per 3 month period in net revenue.
- Results will be monitored on a daily basis, and the expenditure by the Company is directly linked to and dependent on revenue, and only incurred accordingly.
- Excite will receive 150m shares in the Company at a deemed price of \$0.002 per share in total for delivering \$1.2m net revenue to AdEffective over the initial twelve month term of the agreement. The parties have agreed to negotiate in good faith the further consideration to apply to any extensions of the initial term.

Since the initial announcement, the parties have been establishing and testing key components of the services to be provided under the agreement and the testing has been successfully completed.

Since the services have been operational, AdEffective can report that it has generated gross revenue in excess of the advertising costs associated with its generation.

Both parties expect the services being provided by Excite to be cash-flow positive during the initial 12 months term and anticipate daily revenues from the agreement to grow steadily over the coming weeks, aiming to reach \$100K in net revenue per month over the next quarter.

The Company is also pleased to report that daily sales revenue over the past several weeks is at its highest levels since AdEffective acquired its core online advertising operations in May 2010 and is currently generating, on a day to day basis, around 60% more revenue than during the period immediately prior to its acquisition.

AdEffective looks forward to providing a more detailed update on the Excite marketing services partnership, its effect on Company revenues and the impact on revenues of recently launched online advertising platforms, Footar and Yieldom, when it presents its quarterly update in April.

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**About AdEffective Limited**

AdEffective is an online advertising business focusing on the distribution of search advertising to publishers and publisher networks and more recently, on the design and development of innovative new platforms and technologies in the online advertising space to help improve advertiser ROI and generate more revenue for its publisher partners.

**About Excite Digital Media**

Excite specialises in online web-traffic, online search syndication and monetisation, search engine marketing and commercialising traffic for owners of sites and networks. Excite partners with the leading providers of search-based advertising on a global basis.