

ADEFFECTIVE LIMITED
(ASX: ABN)

ASX and Media Release

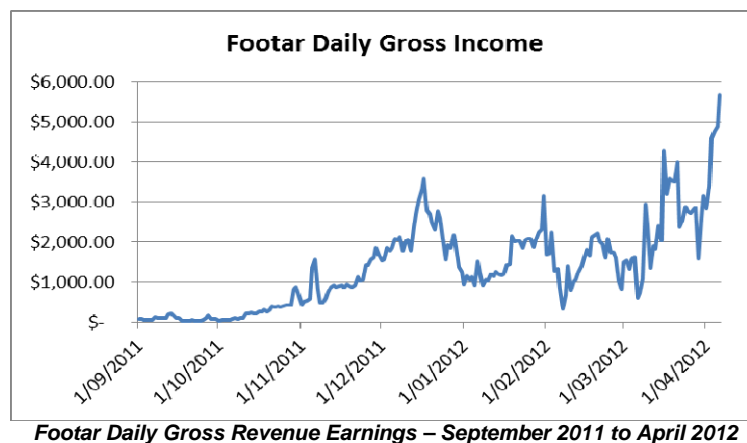
18 April 2012

Market Update

- **Expected record quarter for Footar**
- **AdFeed Business remains steady**
- **AdEffective to commence licensing proprietary Ad Serving Software**
- **Rights issue completed**

AdEffective Limited (**ABN** or the **Company**) provides the following market update on its online advertising platforms AdFeed and Footar.

The Company's results from its Footar division in Q3 2012 have increased from the previous quarter by approximately 40% with gross revenue for Q3 2012 of approximately \$165,000. This improvement reflects an overall increase in Footar traffic (415 million impressions in Q3 2012 compared to 377 million in the previous quarter).



The syndicated online advertising business, AdFeed, in which the Company has a partnership with Yahoo globally in 16 countries across four continents, continues to provide steady revenues for the organisation. Estimated gross income for Q3 2012 is \$420,000. AdFeed search traffic levels were fractionally higher in Q3 2012 (1.21 billion searches) compared to the previous quarter (0.94 billion searches).

The Company has now commenced the syndication of advertising feeds from other parties to provide additional ad coverage for its AdFeed publishing partners. With advances in the AdFeed technology, we now have the ability to use multiple Advertising XML feeds, and expect that the additional advertising feeds integrated into our network will provide greater coverage for AdEffective partners and will lead to growth in revenue for the AdFeed division.

The Company is also pleased to announce that its in-house proprietary software associated with the management of both XML advertising feeds and Footar Display ads has been further developed since January 2012 to allow the Company to license both platforms.

The Company has rolled out Beta versions of both platforms in-house and expects final testing of the Footar Platform and AdFeed Platform to be completed by the end of April 2012.

The ability to license the Footar and AdFeed Platforms provides an additional revenue stream for the Company. AdEffective is well advanced in negotiations with two organisations that have shown interest in licensing each platform. AdEffective will notify the market once final agreements have been reached.

The Company is also pleased to confirm that its recent Renounceable Rights Issue has been successfully completed. Capital raised from the Issue together with improvements in earnings from the Footar division, and the opportunity to generate further revenue from the licensing of proprietary ad serving technologies places the Company in a much improved position from which it intends to maximise its current initiatives as well as seeking new opportunities to diversify the current business offerings in the near future.

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About AdEffective Limited

AdEffective is an online advertising business that provides Publishers and Publisher Networks with enhanced search advertising exposure to increase their rate of return on advertising.