

ADEFFECTIVE LIMITED (ASX: ABN)

ASX and Media Release

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AdEffective Ad Revenue Growth leads to profitability

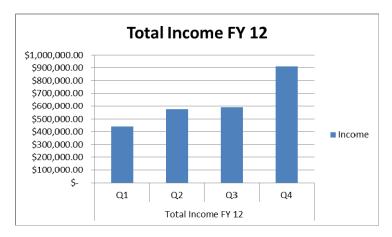
- Q4 expected to be profitable
- Record quarter for Footar Division
- Q4 income expected to be best quarter since restructure and recapitalisation in 2010
- April and May 2012 expected to be profitable

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

The Company has experienced a significant increase in its total income in Q4 of FY12 which has led to both April and May 2012 exceeding budget expectations. Final figures for both divisions will be available to the Company in the coming weeks.

With a significant increase in revenues from its Footar division and consistent revenues from its AdFeed division, the Company expects to achieve a net profit for both April and May 2012.

The Company expects Q4 FY12 will be its first profitable quarter since the restructure and recapitalisation completed in May 2010.



AdEffective Ltd Quarterly Income – Q1 2012 to Q4 2012* (Q4 2012 Estimate)

The majority of the growth in Q4 FY12 is expected to come from the Footar Division, which has already achieved record quarterly income. Total income for Q4 for the AdFeed and Footar divisions combined, is estimated to be approximately \$905,000 AUD; this is an expected increase of around \$317,000 AUD from the previous quarter.



Traditionally Q4 has been stronger than Q3, with a similar trend in FY11 (Q411 Total Income \$612,000 AUD).

With the increase in overall income for the Company, expected new earnings from white labeling of technology and new Footar ad unit implementations, the Company is well positioned moving into the next financial year.

The Company will continue to further develop and organically grow its AdFeed and Footar divisions, as well as seeking new opportunities to diversify current business offerings.

-End

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About AdEffective Limited

AdEffective is an online advertising business that provides Publishers and Publisher Networks with enhanced advertising exposure to increase their rate of return on advertising. The company operates two advertising divisions, Footar which focuses on the monetization of display advertising and AdFeed which focuses on the monetization of search and contextual advertising feeds. Combined, the Footar and AdFeed businesses deliver over 900 Million* ad impressions per month.

* Statistics based on May 2012 ad delivery reporting