



ADEFFECTIVE LIMITED
(ASX: ABN)

ASX and Media Release

6 June 2013

Merger of AdFeed and Footar Divisions into Online Advertising Division

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

Following a detailed review of the preliminary and budgeted results for FY2013, and in light of the decision to diversify the Company's interests into Ecommerce, the Board has determined that the operation of the Footar Platform should continue with select publishing partners and advertising networks and that these operations should merge with the Company's AdFeed Division to create a new Online Advertising Division effective July 1, 2013. As part of this streamlining, the Company will continue to support and maintain the Footar Product, however further development and marketing of it is to be deferred and certain contracts with partners for this product will be concluded.

Although showing significant promise in Q4 FY2012, revenues for Footar have failed to meet budgeted expectations in FY2013. Returns associated with the agreement with the Rubicon Project (**Rubicon**) have been mixed in FY2013 and accordingly the Company and Rubicon have terminated this agreement effective May 31, 2013.

Resources associated with the Footar business will be transferred to the new Online Advertising Division and the new Ecommerce Division.

The AdFeed business has continued to provide consistent revenues in FY2013 and the Company has commenced operations in additional markets including Canada and India.

The Board believes these initiatives will enable the Company and management to remain focused on the further growth of the Online Advertising and Ecommerce Divisions.

The Company is anticipating that a Net Profit result will be achieved for FY2013 and will provide further guidance to the market in the coming weeks, as results for the full year are confirmed.

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About AdEffective Limited

AdEffective is an online advertising business focusing on the distribution of advertising to publishers and publisher networks.

AdEffective has also formed a new Ecommerce division which will acquire and create online stores and transaction based websites.

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