

3rd November 2016

Update on capital raising activities OtherLevels Holdings Limited (ASX Code: OLV)

OtherLevels Holdings Limited (“OtherLevels” or “the company”) today provides an update on its capital raising activities.

On 22 June 2016, the market was advised that OtherLevels had entered into a subscription agreement to raise A\$1.6 million by way of a subscription of shares in the company (“**Subscription Agreement**”). The arrangements under the Subscription Agreement comprised of the issue of 20 million OLV shares (“**Subscription Shares**”) at a price of A\$0.08 each, and a settlement date of 28 October 2016. The issue of the Subscription Shares was approved by shareholders at the Extraordinary General Meeting (“**EGM**”) held on 5 August 2016. As announced to the market on 27 October 2016, a mutually agreed variation deed was subsequently entered into, which stipulated that the additional funding would be received in two tranches, with the first tranche of A\$0.8m due to be finalised on or before 31 October 2016, and a second tranche of A\$0.8m by no later than 18 November 2016.

Notwithstanding the commitment provided by the Subscription Agreement, the company advises that the first tranche of \$0.8 million has not been received within the required timeframe, and therefore 10 million of the Subscription Shares have not been issued.

In light of this outcome, the company has sourced an alternative funding option by way of a finance facility of up to \$0.8m from Mr Brian Mitchell and Mr Brendan O’Kane, directors of OtherLevels. The company will review its on-going funding needs, in conjunction with recent positive trading conditions and will continue to keep the market updated in this regard.

Uptake of New Products and strong billings in September and October 2016:

Further to the operations update provided on 27 October 2016, OtherLevels is pleased to announce that the past 2 months (September and October 2016) have seen:

- An Increase in sales and adoption of Web Push messaging
- First sale of Action Engine, OtherLevels real-time messaging content option
- Strong billings across the two months of \$1.038m

Web push is the use of push notifications across the desktop and mobile web. OtherLevels is now able to sell to customers starting firstly in a web environment, rather than with a mobile app. This means a much broader range of potential customers for OtherLevels. Customer sectors included publishing and wagering.

The first sale of Action Engine, demonstrates that customers want to be able to engage their audiences ‘in the moment’, wherever they may be. Action Engine lets customers create real-time fresh and compelling messaging experiences, which leads to more successful campaign outcomes.

September and October 2016, saw strong billings of \$1.038m, with sales in the UK, US and Australia. The Company is seeing a strong rebound in UK sales activity with a deepening pipeline, and FY Q3 and Q4 represent strong quarters for existing customer renewals.

Brendan O’Kane, the OtherLevels CEO commented, “This was a great two months after the northern summer. It provides us with real momentum as we head towards year end, before a busy first two quarters of 2017. What was particularly pleasing were the Web Push sales, and the first sale of Action Engine. These generate increased messages and further licence fees, and result in OtherLevels being more deeply integrated into our customer’s messaging ecosystem. This in turn strengthens our long term partnerships with these customers.”

- ENDS -

Contacts

Brendan O’Kane

Managing Director and CEO

brendan.okane@otherlevels.com

Andrew Ritter

CFO & Company Secretary

andrew.ritter@otherlevels.com

About OtherLevels

OtherLevels is a leading second-generation digital marketing platform with offices in San Francisco, London, Brisbane and Melbourne. OtherLevels is at the forefront of the enterprise marketing transformation being driven by the massive shift to mobile.

The OtherLevels digital marketing platform enables marketers to engage and retain their audience across desktop, mobile web and apps.

For more information, please visit <http://otherlevels.com>