ENGAGE BDR

"BRANDING DRIVEN BY RESULTS"

ACN 621 160 585 | (Anticipated ASX Codes: EN1 and EN1O)

Replacement Prospectus

For an offer of up to 30,000,000 Shares at an issue price of $0.20 cents per share to raise up to $6,000,000 together with 1 free attaching listed Option for every 2 Shares subscribed for and issued.

The listed Options are to have an exercise price of $0.25 cents each and an expiry date of 3 years from the date of issue will and be issued on a 1 to 2 basis to every person issued Shares pursuant to this Prospectus.

LEAD MANAGER TO THE ISSUE

SANLAM PRIVATE WEALTH PTY LTD ACN 136 960 775

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers.

The Securities offered by this Prospectus should be considered speculative

IMPORTANT INFORMATION

This is an important document, which should be read in its entirety before making any investment decision. You should obtain independent advice if you have any questions about any of the matters contained in this Prospectus.

LODGEMENT AND LISTING

This Replacement Prospectus is issued by engage:BDR Limited (ACN 621 160 585), the Company, for the purposes of Chapter 6D of the Corporations Act. It is dated 15 September 2017 and it replaces the Prospectus dated 8 September 2017. The Prospectus has been lodged with the Australian Securities and Investments Commission (ASIC). This Prospectus expires on 7 October 2018. No Securities will be allotted, issued, transferred or sold on the basis of this Prospectus after that date.

The Company has applied to the Australian Securities Exchange (ASX) for admission to the Official List of ASX and for admission to quotation of the Shares on issue at the date of this Prospectus and the Shares and Options issued under the Offer.

Neither ASX nor ASIC takes any responsibility for the content of this Prospectus. Admission to the Official List is in no way an indication of the merits of the Offer or the Company.

REPLACEMENT PROSPECTUS

For the purposes of this document, this Replacement Prospectus will be referred to as either "this Replacement Prospectus" or "this Prospectus". This Replacement Prospectus has been issued to, amongst other matters:

- Provide additional disclosure of risks particular to the Company in the Executive Chairman's Letter;
- Provide additional disclosure of risks particular to the Company in the summary in the Investment Overview Section (Section 1)
- Provide additional disclosure of risks particular to the Company in the Risk Factors Section (Section 6)
- Provide additional information in relation to the Tiveo LLC acquisition and put option right held by the Tiveo LLC vendors which expires on 15 September 2017 and which has not been exercised as at the date of this Prospectus

OFFER

This Prospectus contains an invitation to apply for Shares and Options.

The Minimum Subscription is $4,000,000. However, the Company reserves the right to accept additional subscriptions for Shares and Options to raise up to an aggregate $6,000,000. No Shares or Options will be issued until the Minimum Subscription has been received.

No person is authorised to provide any information about the Company, or make any representation about the Company or the Offer that is not contained in this Prospectus. Potential investors should only rely on the information contained in this Prospectus. Any information or representation not contained in the Prospectus may not be relied upon as having been authorised by the Company in connection with the Offer. Except as required by law and only to the extent required by such law, neither the Company nor any other person associated with the Company guarantees or warrants the future performance of the Company, the return on investment made under the Prospectus, the repayment of capital or the payment of dividends on the Shares.

Before deciding to invest in the Company, investors should read the entire Prospectus. The information contained in individual sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of the Company or the Shares and Options offered under the Prospectus. The Offer does not take into account the investment objectives, financial situation or particular needs of individual investors.

An investment in the Company should be considered speculative. You should carefully consider the risks (including those set out in section 6) that impact on the Company in the context of your personal requirements (including your financial and taxation position) and, if required, seek professional guidance from your Lead Manager, solicitor, accountant or other professional adviser prior to deciding to invest in the Company. No cooling-off regime (whether provided for by law or otherwise) applies in respect of the acquisition of Shares and Options under this Prospectus.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements, which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and management.

Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors or officers, or any person named in this Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will provide to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

The forward looking statements contained in this Prospectus are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Section 6 of this Prospectus.

EXPOSURE PERIOD

Pursuant to the Corporations Act, this Prospectus dated 8 September 2017 is subject to an exposure period of seven days. By notice in writing to the Company, ASIC may extend the exposure period for a further period of seven days.

The Exposure Period enables this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus. If deficiencies are detected, the Company will:

- return any Application Monies that the Company has received;
- provide each Applicant with a supplementary or replacement Prospectus that corrects the deficiency and give each Applicant the option to withdraw their Application within one month and be repaid the Application Monies; and
- issue to each Applicant the Shares and Options applied for in the Application, and provide each Applicant with a supplementary or replacement Prospectus that corrects the deficiency and give each Applicant the option to withdraw the Application within one month and be repaid the Application Monies.

Application Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be given to Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the Opening Date.

ELECTRONIC PROSPECTUS AND APPLICATION FORMS

A copy of this Prospectus can be downloaded from the website of the Company at engagebdrshareoffer.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand. Shares and Options to which this Prospectus relates will only be issued on receipt of an Application Form issued together with the Prospectus.

Applications must be made by the Application Form that forms part of, or is attached to or accompanies this Prospectus or by applying online at engagebdrshareoffer.com.au. Application Forms must be completed in accordance with the accompanying instructions.

Applicants may apply online for the Shares and Options. Any Applicants applying online must personally complete the online Application Form and pay the Application Monies. Application Forms completed online must not be completed by third parties, including authorised third parties (e.g. the Applicant's Lead Manager).

The Corporations Act prohibits any person passing onto another person an Application Form unless it accompanies a complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the Application Form, it was not provided together with the Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

INFORMATION ABOUT THE COMPANY

This Prospectus contains certain information about the Company, its directors, senior executives and business. It also contains details of the investment approach, strategy and philosophy of the Company and the Directors. To the extent that the Prospectus includes statements by the Company or the Directors or includes statements based on any statement of, or information provided by, the Company or the Directors, the Company and the Directors consent to each such statement being included in the Prospectus in the form and context in which it is included and neither has withdrawn that consent at any time prior to lodgement of this Prospectus.

The issuer of this Prospectus is the Company. Offers of Securities under this Prospectus will be made under an arrangement between Sanlam Private Wealth Pty Ltd (ACN 136 960 775), a holder of a Australian Financial Services Licence. The Company has authorised Sanlam Private Wealth to make offers and to arrange for the issue of Shares and Options under the Prospectus and the Company will only issue the Securities in accordance with those offers and no others.

PRIVACY STATEMENT

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry and Lead Managers involved in the Offer and agents, contractors and third party service providers of the foregoing (Collecting Parties). The Collecting Parties collect, hold and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (Personal Information) to the Collecting Parties where necessary, for any purpose in connection with the Offer, including processing your acceptance of the Offer and complying with applicable law, the ASX Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any public authority.

If you do not provide the information required in the Application Form, the Company may not be able to accept or process your acceptance of the Offer. If the Offer is successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of Shareholders, including bidders for your Shares in the context of takeovers, public authorities, authorised securities Lead Managers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the Privacy Act 1988 (Cth) and all other legal requirements. If obliged to do so by law or any public authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no longer required, it will be destroyed or de-identified. As at the date of this Prospectus, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory of this Prospectus. A fee may be charged for access.

CURRENCY

Unless otherwise stated, references in this Prospectus to currency are references to Australian dollars.

TIME

All references in this Prospectus are to the time in Melbourne, Australia (AEST).

GLOSSARY

Certain terms and abbreviations in this Prospectus have defined meanings that are explained in the Glossary to this Prospectus. Defined terms are generally identifiable by the use of an upper case first letter.

PHOTOGRAPHS AND DIAGRAMS

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

APPLICATIONS

By lodging an Application Form, you declare that you were given access to the entire Prospectus, together with an Application Form. The Company will not accept a completed Application Form if it has reason to believe that an Application Form lodged by an Applicant was not accompanied by, or attached to, the Prospectus or if it has reason to believe that the Application Form has been altered or tampered with in any way.

Detailed instructions on completing the Application Form can be found on the back of the Application Form. The acceptance of an Application Form and the allocation of Shares are at the discretion of the Company.

COMPANY WEBSITE

Any reference to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the websites is incorporated by reference into this Prospectus.

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IMPORTANT DATES

INDICATIVE TIMETABLE*

Lodgement of Prospectus with ASX and ASIC	8 September 2017
Offer Opening Date	16 September 2017
Offer Closing Date	29 September 2017
Issue date of Shares and Options under the Offer	2 October 2017
Despatch of Holding Statements	4 October 2017
Trading of Shares and Options to commence on ASX	6 October 2017

* These dates are indicative only. The Company (in consultation with the Lead Managers) reserve the right to close the Offer early without prior notice; or vary, subject to the Corporations Act, any of the dates set out in this Prospectus, including extending the Closing Date. Investors who wish to submit an Application are encouraged to do so as soon as possible after the Offer opens.

KEY OFFER INFORMATION

Offer	20,000,000 Shares and 10,000,000 Options to 30,000,000 Shares and 15,000,000 Options
Attaching listed Option	$0.20 cents per Share and 1 for 2 free attaching Listed Option
Offer Proceeds	$4,000,000 to $6,000,000 *
Investment objective	The Company seeks share price appreciation
Principal Business**	Digital Media and Advertising

* Before the costs of the Offer

** Refer to Section 4 for details of the Business

Financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated

EXECUTIVE CHAIRMAN'S LETTER

Dear Investor,

I have great pleasure in inviting you to become a shareholder in digital media and advertising company engage:BDR Limited ("The Company").

The Company entered into an agreement to acquire all of the shares in USA based engage:BDR LLC in August 2017 as part of its proposed initial public offering and listing on ASX.

engage:BDR, established in 2009, has developed proprietary "programmatic" technology that manages internet video and display advertising for advertisers, advertising agencies and the websites that display those advertisements. It acts as an intermediary between advertisers and website publishers by consolidating vast amounts of advertising inventory, automating complicated workflows and offering precise targeting capabilities to advertisers at significant scale.

engage:BDR integrates client platforms into its own programmatic platform enabling the dynamic buying and selling of advertising inventory through its online marketplace. The Company has completed 28 client integrations to date, has a further 53 integration agreements executed and client platforms currently being integrated and a significant number of additional potential clients in its business development pipeline.

engage:BDR has made significant progress since launching. It has achieved 97% penetration of all internet users in the U.S.A., it regularly achieves over 500 million monthly global unique users (Source: comScore 2017) and conducts 30-40 Billion dynamic online advertising auctions per day (Source: comScore 2017). In January 2017 the Company was ranked No.12 in video and No.20 in display advertising in comScore's U.S.A Ad survey.

engage:BDR has grown, largely organically since 2009 with cumulative revenues since inception of over AUD $170m and annual revenues in 2016 exceeding AUD$21.8m. engage:BDR has had a compound annual growth rate (CAGR) of ~48% between 2009 and 2016.

engage:BDR has only recently transitioned its business from a "non-programmatic", manual sales business, using traditional sales people to sell advertising on publisher's websites, to a programmatic business utilising its proprietary programmatic technology. This reduces the Company's reliance on sales people, (the Company no longer employs any sales people) and instead utilises the technology it has developed to dynamically match buyers and sellers based on their pre-determined target market criteria and the price they are prepared to pay for the advertising space.

It is important to note however that the programmatic method of buying and selling media is relatively new and there is a potential risk that advertisers and publishers do not ultimately embrace this new means of buying and selling digital media and decide to revert to the old methods of physical sales people buying and selling digital media. Potential investors should be aware of this risk when considering whether they wish to apply for shares in the Company.

engage:BDR intends to utilise the proceeds from the IPO to increase its current rate of client platform integrations and to make a number of value accretive acquisitions in the U.S.A, Australia and Asia. This will assist the Company to more rapidly grow its business and increase its revenues and earnings. A number of strategic acquisition opportunities from amongst Company's with which engage:BDR currently already works have been identified and discussions with those companies are well advanced.

The Company's Board and executives have extensive digital media advertising, social media, marketing and finance backgrounds in the U.S.A and Australia.

This Prospectus provides detailed information about engage:BDR, as well as important information about the specific and general risks associated with an investment in a Company in the online digital media and advertising industry (Refer in Section 6).

Please read the Prospectus carefully before deciding whether you wish to apply for shares.

I very much look forward to welcoming you as a Shareholder for the next stage of the Company's development.

Yours faithfully

Ted Dhanik
Executive Chairman

1 INVESTMENT OVERVIEW

TOPIC	SUMMARY	FOR MORE INFORMATION
Overview of the Company's business		
What is the business of the Company?	engage:BDR Limited (ACN 621 106 585) was incorporated on 17 August 2017 to acquire all of the shares in engage:BDR LLC. engage:BDR has developed a proprietary programmatic platform for the buying and selling of digital media and advertising Upon completion of the Offer and admission of the Company to the Official List of ASX, the Company intends to continue to grow its existing digital media and advertising business and make strategic acquisitions in the digital media industry as and when suitable opportunities arise.	Section 4
What is the Company's business strategy?	The business strategy of the Company is to continue to grow its existing programmatic digital media and advertising business and identify and, where appropriate, make strategic acquisitions in the digital media and advertising industry. Further details of the Company's business strategy are set out in section 4.	Section 4
What are the key highlights of the Offer?	Purchasing Shares and Options under this Offer will enable investors to: • gain exposure to a well established USA based online digital media and advertising business that has been operating for 8 years; • benefit from the significant expertise and experience of the Directors and executives of the Company in establishing and operating digital media and advertising businesses • obtain exposure to a digital technology and media sales company which intends to significantly expand its existing business and make a number of strategic acquisitions in the rapidly developing and growing digital media sector	Section 3, 4, 5
What are the risks associated with the Offer and the Shares and Options?	An investment in any company in the rapidly developing and growing digital media and advertising sector contains inherent risk. You should give careful consideration to this section and the detailed section on risks set out in Section 6 of the Prospectus. The key risks associated with an investment in the Company include: • the ability of the Company to successful implement its strategic plan. If the Directors and executives of the Company are unable, for whatever reason, to implement their strategic plan for the business, there is a risk that the Company will not be able to deliver the expected returns causing a negative impact on the Company. This may materially affect the financial performance of the Company and the value of the Shares and Options offered under this Prospectus;	Section 6, 7

INVESTMENT OVERVIEW

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the risks associated with the offer?	• the market price of the Company's Shares and Options is likely to rise and fall in accordance with general economic and market conditions and the performance of the world economy generally. In particular, a reduction in the rate of growth of the world economy is likely to affect the demand for digital and other forms of advertising and that may result in a loss of value in the Company and in a slowing of growth rates or reduction in the price of the Company's Shares; • The Company has only recently transitioned its business from a "non-programmatic", manual sales business, using traditional sales people to sell advertising on publisher's websites, to a programmatic business utilising its proprietary programmatic technology. As the technology based programmatic method of buying and selling media is relatively new and there is a potential risk that advertisers and publishers do not ultimately embrace this new means of buying and selling digital media and decide to revert to the old methods of physical sales people buying and selling digital media. If this were to occur there is a risk that the Company's business will not grow as anticipated. • The digital advertising market is relatively new and while the growth of the industry is expected to be significant over the next few years there is a risk that the migration from traditional media, including television, radio, print and outdoor to digital media on mobile devices, desktop computers and Smart TV's may be slower than anticipated and this could effect the rate adoption of programmatic technology for the buying and selling of digital media and thereby the Company's overall rate of growth. • The Company has grown significantly since inception however that growth has not been consistent over the past 8 years and the Company has achieved profits in some years and losses in others, including loses in the last two years, as it transitioned its business from a non programmatic to a largely programmatic based business. This volatility could continue in the years ahead as various parts of the digital advertising market move to programmatic based operations at different times. • A substantial proportion; (the exact amount of which is dependent on the amount raised) of the funds raised under this Prospectus will be converted into US Dollars following the issue of the Shares and Options for the purposes of funding the growth of the Company and for acquisitions to be made by the Company. It is not proposed to hedge any foreign exchange exposure. As the Company's financial performance is reported in Australian dollars, the value of the Company may be affected by fluctuations in the exchange rate between the Australian and US Dollars. The value of the Company may rise or fall as a result of such fluctuations. Transfers of funds between Australia and the USA may also be affected by exchange rates. In particular, a strengthening of the Australian dollar against the US Dollar may adversely affect the value of the Company and the price of its Shares; • the ability of a Shareholder to sell their Shares and Options on ASX when they wish is a function of the liquidity of the Shares and Options at the time of the proposed sale. It is possible that there may not be sufficient liquidity in trading of the Company's Shares and Options at all times. As a result, Shareholders may not be able to buy or sell their Shares and Options at the time and in the volumes or at a price they desire;	Section 6, 7

TOPIC	SUMMARY	FOR MORE INFORMATION
What are the risks associated with the offer?	• the Company is subject to a range of regulatory controls imposed by the governments and regulatory authorities in Australia, the USA and other countries in which the Company operates which may change and could have a negative effect on the Company's performance and/or the returns achieved by Shareholders; • there are certain sovereign risks involved in an investment in overseas markets including in the USA. These include the possibility that political or social changes in the USA may result in restrictions on repatriating income or capital or losses being incurred as a result of such change • the returns to the Company and thereby investors will be affected by the quality of management of the Company by the Directors. The investment parameters that underpin the Directors selection of suitable acquisitions may prove to be inappropriate for future market circumstances and accordingly may impair the performance of the Company. Whilst past performance of the Directors and Executives was a factor in their appointment and ongoing employment by the Company, there is no guarantee that the past performance of the Directors and executives can be reproduced in future years. In addition the current Directors and executives may in the future no longer be willing or able to provide services to the Company that they have in the past and the Company would then need to find replacement Directors or executives; • the salaries and incentive payments payable to the Directors and executives for their work and performance may create an incentive for the Directors or executives to make acquisitions for, or investments in, the business that are riskier or more speculative than would be the case in the absence of a salary based on the performance of the Company and this could cause a loss of value in the Company and fluctuations of, or a reduction in the price of the Company's Shares and Options. • the Company's Shares and Options may decline in value for a wide variety of reasons. Investors in the Company are exposed to this risk through their holding of the Shares and Options. In addition, the price of the Company's Shares and Options may not always necessarily be related to the performance of the Company. • Further details of the Company's financial position are set out in Section 7 **ADDITIONAL RISKS** There are a number of additional risks which may adversely affect the Company, including in the following: • risks inherent in entrenchment of Directors and executives over a period of time; • credit risk; • dependence on key management personnel; • taxation risks; • risks in relation to future payment of dividends; • future capital requirements for technical developments undertaken by the Company; • operational costs relative to the revenues and size of the business;	Section 6, 7

INVESTMENT OVERVIEW

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the financial performance and position of the Company?	The Company acquired all of the Shares in engage:BDR LLC. subject to a Share Sale and Purchase Agreement dated 27 August 2017. In the 2016 financial year (USA financial year 1 January 2016 to 31 December 2016) engage:BDR LLC had revenues of AUD $ 21.8 million and an EBITDA loss of AUD $ 1.28 million. For further information in relation to the financial position of engage:BDR LLC, refer to section 7.2.4 (1 AUD = 0.72 USD as at 31 December 2016)	Section 7, 8
What benefits will be given to the Company's Related Parties?	Mr Ted Dhanik, has been the CEO of engage:BDR LLC for 8 years and is to be the CEO of the Company on listing. He will also be the legal and beneficial owner of 58,038,665 Shares in the Company on listing. Other than his Shares in the Company (which will be subject to voluntary escrow restrictions) and his remuneration package, the details of which are set out in this Prospectus, he will receive no other benefits in connection with his role in the Company. Mr Kurtis Rintala has been an Executive Director of engage:BDR LLC for 8 years and is to be an Executive Director of the Company on listing. He will be the legal and beneficial owner of 36,532,175 Shares in the Company on listing. Other than his Shares in the Company (which will be subject to voluntary escrow restrictions) and his remuneration package, the details of which are set out in this Prospectus, he will receive no other benefits in connection with his role in the Company. Mr Tom Anderson has been a Non-Executive Director of the Company since August 2017. He will be the legal and beneficial owner of 1,500,000 Shares in the Company on listing. Other than his Shares in the Company and his remuneration package, the details of which are set out in this Prospectus, he will receive no other benefits in connection with his role in the Company. Mr Bruce McMenamin has been a Non Executive Director of the Company since August 2017. He currently holds no shares in the Company and other than his remuneration package, the details of which are set out in this Prospectus, he will receive no other benefits in connection with his role in the Company. Mr Ron Phillips has been a Non Executive Director of the company since August 2017. He currently holds no shares in the Company and other than his remuneration package, the details of which are set out in this Prospectus, he will receive no other benefits in connection with his role in the Company. Other than as set out above, there are no existing arrangements or agreements nor any currently proposed transactions in which the Company was, or is to be, a participant and in which any related party of the Company has or will have a direct or indirect interest in the Company or the Offer.	Sections 5 and 9 in relation to fees payable to the Directors

TOPIC	SUMMARY	FOR MORE INFORMATION
Does the Board approve investments and acquisitions by the Company?	Board approval is required for all material investments and acquisitions contemplated to be undertaken by the Company. All investment and acquisition decisions will be made in accordance with the Company's investment objectives and strategies.	Section 5
What is the Company's dividend policy?	The Company intends to pay dividends from profits as soon as it considers it prudent and appropriate to do so. The payment of any dividends will be dependent on a number of factors including the Company's operating results, cash flow, financial and taxation positions, anticipated future capital requirements for potential acquisitions, working capital requirements and other relevant factors. The Board cannot give any assurance as to the payment and timing of future dividends at this stage for the reasons referred to above.	Section 2.18
Does the Company have any material contracts?	The material contracts are the Share Sale and Purchase Agreement dated 27 August 2017 pursuant to which the Company has agreed to acquire all of the issued shares in engage:BDR LLC, the various Executive Services Agreements between the Company and its Directors and key executives and a Lead Manager Mandate Agreement with Sanlam Private Wealth Pty Ltd the Lead Manager to the capital raising. Further details of all material contracts can be found in section 9.	Section 9

OVERVIEW		
What is the Offer?	The Company is offering a minimum of 20,000,000 fully paid ordinary Shares with a one for two free attaching listed Option and up to a maximum of 30,000,000 fully paid ordinary Shares with a one for two free attaching listed Option in the Company at $0.20 cents per Share under the Offer to raise a minimum of AUD $4,000,000 and up to AUD $6,000,000.	Section 2.1
Who is the issuer?	engage:BDR Limited (ACN 621 160 585), is an unlisted public company limited by shares, and registered in Victoria.	Section 2
Why is the Offer being conducted?	The Company is conducting the capital raising and offering Shares and Options under this Prospectus to assist it with the following: 1. The further development and growth of the Company's existing digital media and advertising business 2. Acquisitions of other company's in the digital media sector in the USA, Asia and Australia and elsewhere that will compliment and enhance the Company's existing digital media and advertising offering.	Sections 4

INVESTMENT OVERVIEW

<table>
<tr><th>TOPIC</th><th>SUMMARY</th><th>FOR MORE INFORMATION</th></tr>
<tr><td>What is the minimum application size?</td><td>Applicants may apply for a minimum allocation of 10,000 (AUD $2,000) Shares and 5,000 listed Options with applications for additional Shares in further increments of 500 (AUD $100).</td><td>Section 2</td></tr>
<tr><td>How can I apply?</td><td>Applicants under the Lead Manager Firm Offer should contact their Lead Manager for instructions on how to complete the Lead Manager Firm Offer Application Form accompanying this Prospectus.

Applicants who are applying for Shares and Options under the General Public Offer may apply for those Shares and Options by completing the Application. Form accompanying or included in this Prospectus or online at

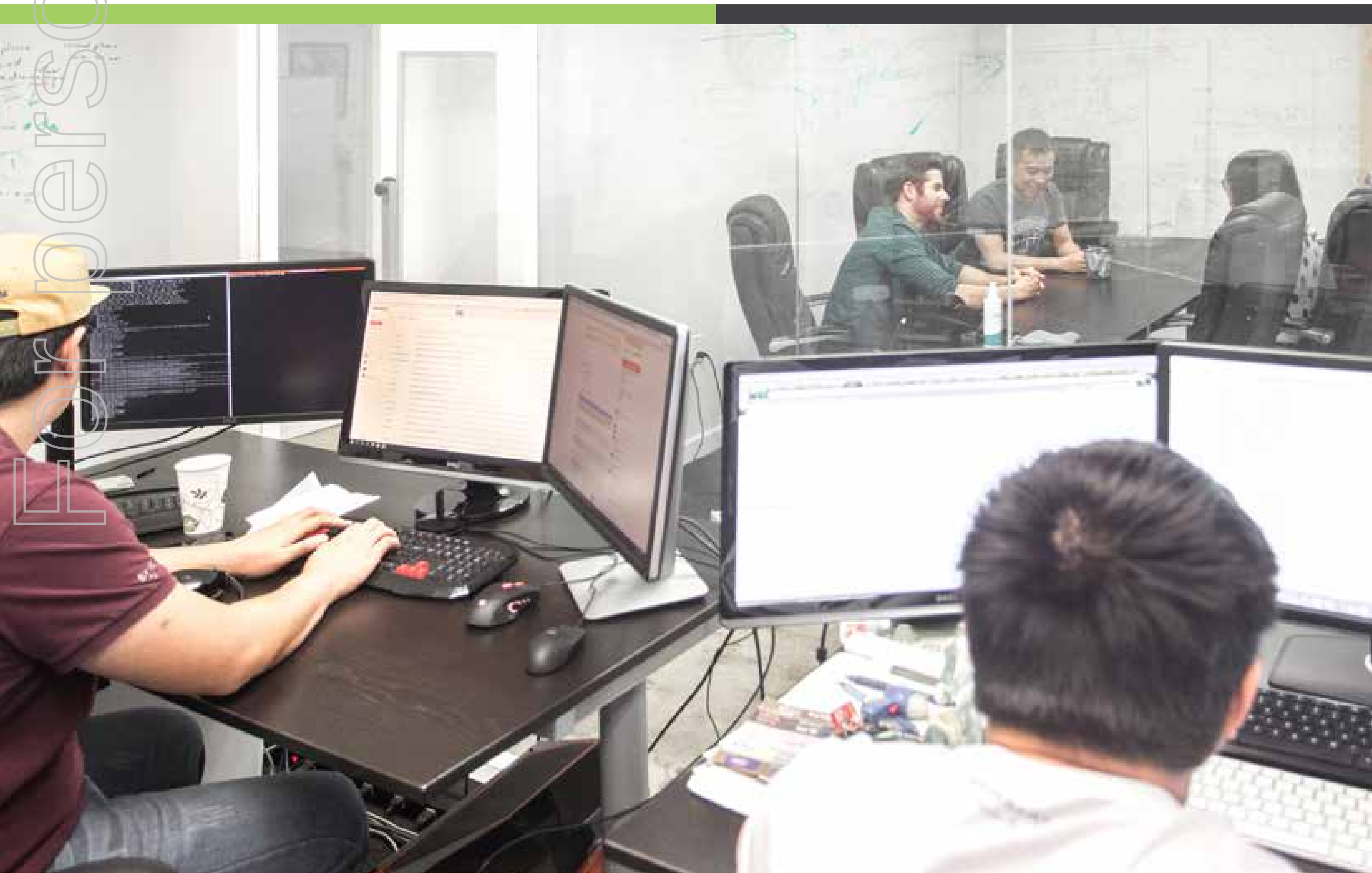
Any Applicants applying for Shares and Options online must personally complete an online Application Form. Application Forms completed online must not be completed by third parties, including authorised third parties (eg. the Applicant's Lead Manager).</td><td>Section 2</td></tr>
<tr><td>What is the capital structure of the Company following completion of the Offer?</td><td>On completion of the Offer, the capital structure of the Company will be as set out below:
<table>
<tr><th>INDICATIVE CAPITAL STRUCTURE</th><th>MINIMUM SUBSCRIPTION $4,000,000</th><th>MAXIMUM SUBSCRIPTION $6,000,000</th></tr>
<tr><td>Existing Shares on Issue pre IPO</td><td>199,699,858</td><td>199,699,858</td></tr>
<tr><td>Shares to be Issued under the Prospectus</td><td>20,000,000</td><td>30,000,000</td></tr>
<tr><td>Options to be Issued under the Prospectus</td><td>10,000,000</td><td>15,000,000</td></tr>
<tr><td>Total Shares on Issue on Listing</td><td>219,699,858</td><td>229,699,858</td></tr>
<tr><td>Total Options on Issue on Listing</td><td>15,000,000</td><td>20,000,000</td></tr>
</table></td><td>Section 2</td></tr>
<tr><td>How is the Offer structured?</td><td>The Offer comprises the:
• Lead Manager Firm Offer; and
• General Public Offer.</td><td>Section 2.9.2
Section 2.9.3</td></tr>
</table>

TOPIC	SUMMARY	FOR MORE INFORMATION
Who can participate in the Offer?	Investors that have a registered address in Australia can participate in the General Public Offer. The Lead Manager Firm Offer is open to persons who have received a firm allocation from their Lead Manager and who are Applicants who have a registered address in Australia.	Section 2.9
Who is the Lead Manager to the Offer?	The Lead Manager to the Offer is Sanlam Private Wealth Pty Ltd Pty Ltd (ACN 136 960 775)	Section 2.16
Is the Offer underwritten?	The Offer is not underwritten.	Section 2.17
What do Applicant's pay when applying under the Offer?	All Applicants under both the Lead Manager Firm Offer and the General Public Offer pay $0.20 cents for each Share and one for two attaching Option subscribed for under this Prospectus.	Section 2.9.1
What is the allocation policy?	Allocation of Shares and Options under the Offer is at the absolute discretion of the Company in consultation with the Lead Manager. In allocating Shares and Options, it is the intention of the Board to ensure that the Company has an adequate spread of both institutional and retail Shareholders.	Section 2.11
What fees and costs are payable to the Lead Manager to the Offer?	The Company will pay the Lead Manager or its nominee: • a selling fee of 6% (plus GST) of the total IPO proceeds from which all Lead Manager firm fees and other selling fees will be deducted. • 5,000,000 listed Options exercisable at $0.25 cents per Share for 3 years from the date of listing (it is expected that the Lead Manager Options will be escrowed for 24 months from the date of listing)	Section 2.10
Will the Shares be listed?	The Company will apply to ASX to be admitted to the Official List of the Australian Securities Stock Exchange Limited and for the Shares and Options offered under this Prospectus (as well as existing Shares on issue as at the date of this Prospectus) to be admitted to ASX for quotation.	Section 2.1
When will I receive confirmation that my Application has been successful?	The Company expects that holding statements will be sent to Shareholders on or around 4 October 2017. If you apply for Shares and Options through the Lead Manager Firm Offer, you should contact your Lead Manager to confirm your allocation.	N/A

INVESTMENT OVERVIEW

TOPIC	SUMMARY	FOR MORE INFORMATION
Can the Offer be withdrawn?	The Company reserves the right not to proceed with the Offer at any time before the issue of Shares and Options. If the Offer does not proceed, Application Monies will be refunded to the Applicant in full and without deduction but without any interest that may have accrued on the funds.	Section 2.9.6
Is there a cooling-off period?	No.	Important Notices
Where can I find key financial information relating to the Company?	The Company was incorporated on 17 August 2017. The Company acquired all of the Shares in engage:BDR LLC subject to a Share Sale and Purchase Agreement dated 27 August 2017. Financial Information on the Company and pro forma statements indicating the expected financial position of the Company are set out in Section 7.	Sections 7, 8
How can I obtain further information?	If you would like more information or have any questions relating to the Offer, please call the Share Registry's offer information line on 1300 113 245 (within Australia) or +61 (03) 9415 4068 (outside Australia). If you have any questions about the Offer or the Company, please contact your Lead Manager, accountant, solicitor or independent financial adviser.	Important Notices
What are the tax implications of investing in Shares?	The tax consequences for an investor in purchasing and selling the Shares and Options offered by this Prospectus will depend on the investor's particular circumstances. Prospective applicants should obtain their own tax advice before deciding whether to invest in Shares and Options in the Company.	Sections 2.13
KEY INFORMATION ON THE EXPERIENCE OF THE DIRECTORS AND SENIOR EXECUTIVES		
Who are the Directors and what is their experience?	The Directors of the Company are: • Ted Dhanik | Executive Chairman • Kurtis Rintala | Executive Director • Tom Anderson | Non- Executive Director • Bruce McMenamin | Non-Executive Director • Ron Phillips | Non-Executive Director Please refer to section 8.1 for further details regarding the background of the Directors.	Section 5
What are the Directors to be paid?	It is proposed that the Directors will receive the following amounts for the year commencing date on which the Company is admitted to the Official List of ASX: • Ted Dhanik – AUD $290,000 • Kurtis Rintala – AUD $290,000 • Tom Anderson – AUD $55,000 • Bruce McMenamin – AUD $40,000 • Ron Phillips – AUD $40,000	Section 5.1.3

2 DETAILS OF THE OFFER



DETAILS OF THE OFFER

2.1 DESCRIPTION OF THE OFFER

The Company is seeking to raise up to $6,000,000 by issuing up to 30,000,000 fully paid ordinary Shares and 15,000,000 free attaching Options on a one for two basis at $0.20 per Share.

Shares will be admitted to quotation on ASX upon the Listing. Full details and conditions of the Shares are set out in Section 2 and 9.

All of the Shares offered under this Prospectus are fully paid ordinary Shares. The Shares issued under this Prospectus will rank equally with all Shares currently on issue in the Company. The rights and liabilities attaching to Shares and Options are described further in Section 2 and 9.

2.2 THE OFFER COMPRISES

- the Lead Manager Firm Offer, is open to persons who have received a firm allocation from their Lead Manager and who have a registered address in Australia. Applicants who have been offered a firm allocation by a Lead Manager will be treated as Applicants under the Lead Manager Firm Offer in respect of that allocation. Applicants should contact their Lead Manager to determine whether they may be allocated Shares under the Lead Manager Firm Offer.
(See Section 2.9.2 for information on how to apply); and

- the General Public Offer, open to investors who have a registered address in Australia
(See Section 2.9.3 for information on how to apply).

2.3 MINIMUM SUBSCRIPTION

The Minimum Subscription for the Offer is 20,000,000 Shares together with 10,000,000 one for two free attaching Options to raise $4,000,000. No Shares or Options will be issued pursuant to this Prospectus unless the Minimum Subscription amount is received.

If the Minimum Subscription is not received within four months after the date of this Prospectus, the Company will either repay the Application Monies to Applicants without interest or (subject to any necessary ASIC or ASX waivers or consents being obtained) issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their application and be repaid their Application Monies. Interest will not be paid on Application Monies refunded.

The Company reserves the right to place Shares and Options up to the maximum number referred to in this Prospectus after the Closing Date (but before the Company is admitted to the Official List of ASX) in consultation with the Lead Manager.

2.4 CAPITAL STRUCTURE

The tables below set out the proposed capital structure of the Company.

SHARES	MINIMUM NUMBER	$ MINIMUM	MAXIMUM NUMBER	$ MAXIMUM
Shares currently on issue	199,699,858		199,699,858	
New Shares offered under this Prospectus	20,000,000	4,000,000	30,000,000	6,000,000
Attaching Options offered under this Prospectus	10,000,000	0	15,000,000	0
Options Issued to Lead Manager	5,000,000*	0	5,000,000*	0
TOTAL SHARES ON ISSUE ON COMPLETION OF THE OFFER	**219,699,858**	**4,000,000**	**229,699,858**	**6,000,000**
TOTAL OPTIONS ON ISSUE ON COMPLETION OF THE OFFER	**15,000,000**		**20,000,000**	

(*escrowed 100% for 12 months and 50% for 24 months)

2.5 USE OF PROCEEDS

The Company will use funds received from the Offer to further develop the Company's existing digital advertising and media business, to make appropriate and strategic acquisitions as and when suitable opportunities arise, to pay the costs and expenses of the Offer and for general working capital purposes.

The proposed use of the proceeds of the Offer is:

SUBSCRIPTION AMOUNT	$ 4,000,000 (MINIMUM)	$ 6,000,000 (MAXIMUM)
Existing trade creditors	$1,500,000	$2,000,000
Further developing the Company's online digital advertising and media technology and business	$250,000	$500,000
Due diligence and acquisitions	$250,000	$500,000
Working Capital	$1,536,000	$2,414,000
Expenses of the Offer	$464,000	$586,000
TOTAL PROCEEDS	**$4,000,000**	**$6,000,000**

Refer Section 7 for further details

2.6 WORKING CAPITAL ADEQUACY

The Directors are satisfied that upon completion of the Offer, the Company will have sufficient funds to carry out its stated objectives and sufficient working capital. Some working capital will be retained in Australia. Further funding, if required, may be sourced from cash generated by the business, or, where appropriate and available to the Company, further equity raisings or borrowings.

2.7 RESTRICTED SECURITIES

The ASX may classify some or all of the existing issued Shares and Options held by the founders, key employees and early stage investors as being subject to the restricted securities provisions of the ASX Listing Rules. If applicable, those securities will be required to be held in escrow for a period determined by the ASX.

The 3 founders who together hold 152,413,448 (76.32%) of the shares we issue in the Company prior to this Prospectus captial raising have agreed that they will voluntary escrow 100% of their shares for 12 months and 50% of their shares for 24 months.

2.8 OPENING AND CLOSING DATE OF THE OFFER

The Opening Date of the Offer will be 15 September 2017 at 9.00am (Melbourne, Victoria Australia time)* and the Closing Date of the Offer to the public will be 29 September 2017 at 5.00pm (Melbourne, Victoria Australia time).

The Directors of the Company reserve the right to:

(1) close the Offer early without prior notice; or

(2) vary, subject to the Corporations Act, any of the dates set out in this Prospectus, including extending the Closing Date.

Date of Prospectus	8 September 2017
Offer Opening Date	16 September 2017
Offer Closing Date	29 September 2017
Issue Date of Shares and Options under the Offer	2 October 2017
Despatch of Holding Statements	4 October 2017
Trading of Shares and Options to Commence on ASX	6 October 2017

The above dates are indicative only and may vary subject to the requirements of the ASX Listing Rules and the Corporations Act. The Company reserves the right to accept late applications.

DETAILS OF THE OFFER

2.9 HOW TO APPLY

Applications under this Offer can only be made by completing and lodging the Application Form forming part of, or accompanying this Prospectus. The Application Form contains detailed instructions on how it is to be completed.

2.9.1 MINIMUM APPLICATION AMOUNT

Applications must be for a minimum of 10,000 Shares, which will entitle the holder to 5,000 free attaching listed Options, for a total of AUD $2,000. Applications may be made for additional Shares in multiples of 500 Shares and 250 free attaching listed Options (AUD $100).
There is no maximum amount that may be applied for under the Offer.

The Company reserves the right to reject any Application or to allocate a lesser number of Shares than was applied for, refer Section 2.10 for a detailed description of the Company's allocation policy.

2.9.2 HOW TO APPLY: LEAD MANAGER FIRM OFFER

WHO CAN APPLY

The Lead Manager Firm Offer is open only to Australian residents who have received a Lead Manager Firm Offer allocation of Shares from their Lead Manager.

HOW TO APPLY

To apply for Shares and Options under the Lead Manager Firm Offer, you must complete the Application Form attached to, or accompanying, this Prospectus and return it, along with your application payment to your Lead Manager who has given you your Lead Manager Firm Offer allocation. Your Lead Manager will provide you with details about how and when to submit your Application Form and Application Monies.

APPLICATIONS MADE UNDER THE LEAD MANAGER FIRM OFFER SHOULD NOT BE SUBMITTED THROUGH THE SHARE REGISTRY

If you elect to participate in the Lead Manager Firm Offer, your Lead Manager will act as your agent in submitting your Application Form and Application Monies to the Share Registry. It will be your Lead Manager's responsibility to ensure that your Application Form and Application Monies are received by the Share Registry by the Closing Date.

The Company, the Share Registry and the Lead Manager take no responsibility for any acts or omissions by your Lead Manager in connection with your Application, Application Form or Application Monies (including, without limitation, failure to submit Application Forms by the close of the Lead Manager Firm Offer).

Please contact your Lead Manager if you have any questions.

2.9.3 HOW TO APPLY: GENERAL PUBLIC OFFER

WHO CAN APPLY

The General Public Offer is open only to Australian residents.

HOW TO APPLY

To apply under the General Public Offer, you should complete the Application Form provided in this Prospectus and submit it to the Share Registry, along with the Application Monies. Alternatively you may apply online at www.engagebdrshareoffer.com.au and pay via BPAY®. Please note that Application Monies must be paid in full at the Offer Price in Australian Dollars.

Applicants under the General Public Offer must apply for a minimum of 10,000 Shares (and 5,000 free attaching listed Options) for a total of $2,000 and thereafter in multiples of 500 Shares (250 listed Options) for $100. There is no maximum number of Shares and Options that may be applied for under the General Public Offer. However, the Company, in consultation with the Lead Manager, reserves the right to reject or scale back any Applications in the General Public Offer (refer to the Company's allocation policy at Section 2.11).

Completed Application Forms and Application Monies should be forwarded to reach the Share Registry by 5.00pm (Melbourne, Victoria time) on 29 September 2017.

SHARE REGISTRY DELIVERY ADDRESSES

By post or hand delivery to:
engage:BDR Limited | c/- Computershare Investor Services Limited | Yarra Falls | 452 Johnson Street | ABBOTSFORD VIC 3067

General Public Offer Application Forms and Application Monies will not be accepted at any other address.

2.9.4 APPLICATION MONIES

Application Monies may be paid by BPAY® (see below), personal cheque or bank cheque. Cheques must be:

- in Australian currency;
- drawn on an Australian branch of a recognised financial institution;
- crossed 'Not Negotiable' and made payable:
  - for Applicants under the General Public Offer, to: "engage:BDR Limited – Share Subscription Account"; or
  - for Applicants in the Lead Manager Firm Offer, in accordance with the instructions of the Lead Manager from whom you have received an allocation.

Applicants should ensure that sufficient funds are held in their relevant accounts to guarantee that cheques are cleared. If the amount of cheques and/or bank drafts for Application Monies is insufficient to pay for the amount you have applied for in your Application Form, you will be taken to have applied for such lesser amount as your cleared Application Monies will pay for.

Applications which do not meet these requirements may be refused at the discretion of the Company in consultation with the Lead Manager.

2.9.5 PAYING YOUR APPLICATION MONIES BY BPAY®

Australian Applicants may apply for Shares online and pay their Application Monies by BPAY®. Australian investors wishing to pay by BPAY® should complete the online Application Form accompanying the electronic version of the Prospectus which is available at www.engagebdrshareoffer.com.au and follow the instructions on the online Application Form (which includes the biller code and your unique customer reference number).

Any Applicant applying online must personally complete the online Application Form and pay Application Monies via BPAY® only. Application Forms completed online must not be completed by third parties, including authorised third parties (e.g. the Applicant's Lead Manager).

Prospective investors should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which supports BPAY® transactions.

When completing your BPAY® payment, please make sure you use the specific biller code and your unique customer reference number provided on the online Application Form. If you do not use the correct customer reference number, your Application may not be recognised as valid.

It is your responsibility to ensure that payments are received by 5.00pm on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY®, and policies with respect to processing BPAY® transactions may vary between banks, credit unions or building societies.

The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY® before the Closing Date arising as a result of, among other things, delayed processing of payments by financial institutions.

2.9.6 WITHDRAWAL OF THE OFFER

The Company reserves the right not to proceed with the Offer or any part of it at any time before the issuing of the Shares and Options. If the Offer or any part of it does not proceed or is cancelled, all Application Monies will be refunded in full to Applicants without deduction but without interest.

2.10 LEAD MANAGERAGE, STAMP DUTY AND COMMISSION

No Lead Managerage or stamp duty is payable by Applicants for the purchase of Shares or Options under the Offer.

The Company will pay the Lead Manager a selling fee of 6% (plus GST) of the total IPO proceeds from which all Lead Manager firm fees and other selling fees, if any, are to be provided. The Company will also issue the Lead Manager 5,000,000 listed Options which have a 36 month term and are exercisable at $0.25 cents per Share. The Options issued to the Lead Manager will to be voluntarily escrowed, as to 100% for 12 month and 50% for 24 months.

2.11 ALLOCATION AND ISSUE

Application Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be given to Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the Opening Date.

The basis of the allocation of Shares and Options under the Offer will be determined by the Company in consultation with the Lead Manager.

Existing Shareholders, Directors and employees of the Company are permitted to participate in the Offer.

Shares and Options applied for under this Prospectus will be allocated as soon as practicable after the Closing Date. Application Monies will be held in trust in an offer subscription account in accordance with the Corporations Act until all Shares and Options are issued.

Interest on Application Monies will be for the benefit of the Company and will be retained by the Company, irrespective of whether any Shares and Options are issued.

No allotment of Shares or Options will be made until the Minimum Subscription for the Offer has been received and permission has been granted by ASX for admission to quotation of the Shares and Options on terms acceptable to the Directors.

The Directors of the Company reserve the right, in respect of the General Public Offer, to accept any General Public Offer application in full, accept Applications for any lesser number of Shares and Options or decline any Application. Applicants must not assume that the Shares and Options they apply for, or any number of Shares and Options, will be issued to them in response to their application. Before dealing in any Shares and Options in the Company, Applicants must satisfy themselves as to their actual Shareholding and Option holding.

The Directors may treat incomplete Application Forms as valid and may make corrections reasonably required to give effect to an Application Form, provided that no Application will be treated as an Application for more than the number of Shares and Options represented by the Application Monies accompanying the Application. If cleared funds are not received before the issuing of the Shares and Options, or if a cheque is dishonoured, the Application may be rejected by the Directors, or the Company may issue the Shares and Options and sue for the Application Monies as a debt.

If any Application is unsuccessful, in whole or in part, the relevant Application Monies will be repaid to the Applicant in full but without interest. Where the number of Shares and Options issued is less than the number applied for by the Applicant, the surplus Application Monies will be returned by cheque to the Applicant. Where no Shares or Options are issued, the Application Monies will be returned in full by cheque. Irrespective of whether any allotment of Shares and Options takes place under the Offer any interest earned on the Application Monies will not be refunded.

2.12 REGULATORY ISSUES

Shareholders and Optionholders in the Company will hold Shares and Options in an ASX listed company regulated by, and their rights and remedies will be governed by, the Australian legislative and regulatory regime.

2.13 TAX ISSUES

Potential investors should seek their own taxation advice on any taxation issues that may relate to their specific circumstances as a result of applying for or holding Shares in the Company.

2.14 ASX LISTING

The Company will apply for the Shares offered under this Prospectus to be admitted to ASX for quotation within seven days of the date of this Prospectus.

The fact that ASX may admit the Company to the Official List or admit its Shares to quotation is not to be taken in any way as an indication of the merits of the Company or of the Shares offered under this Prospectus. Normal settlement trading of the Shares, if quotation is granted, will commence as soon as practicable after the issue of holding statements to successful Applicants.

If ASX does not admit the Shares to quotation within three months after the date of issue of this Prospectus, the Company will either repay the Application Monies to Applicants without interest or (subject to any necessary ASIC or ASX waivers or consents being obtained) issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their application and be repaid their Application Monies. Interest will not be paid on Application Monies refunded.

2.15 CHESS AND ISSUER SPONSORED REGISTER

The Company will apply to participate in CHESS, in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

The Company will operate an issuer sponsored subregister through Computershare Investor Services Limited. CHESS and the issuer sponsored sub-register will together make up the Company's registers of Securities.

The Company will not issue Share or Option certificates to holders but as soon as practicable after allocation, successful Applicants will receive Statements of Holding (similar to bank account statements) which set out the number of Shares and Options issued to them pursuant to this Prospectus. The statements will also set out each Shareholder's and Optionholders unique Security Holder Identification Number (HIN) (in the case of a holding on the CHESS subregister), or Security Holder Reference Number (SRN) (in the case of a holding on the issuer sponsored sub-register).

Investors will be provided with periodic statements from the Company's Share Registrar showing changes in their holdings of securities for periods in which changes occur. Investors may request a statement at any time. An administration fee may be charged for additional statements.

2.16 LEAD MANAGER

Sanlam Private Wealth Pty Ltd has agreed with the Company to be Lead Manager to the Issue. They will use their best endeavours to successfully place the Shares and Options on Offer under this Prospectus.

2.17 UNDERWRITING

The Offer is not underwritten.

2.18 DIVIDEND POLICY

The payment of dividends is subject to the Company's Constitution, which has been lodged with ASIC.

The Company will, to the extent it is considered prudent and appropriate to do so, pay dividends from profits. Dividends will be franked to the extent that available franking credits permit. The Company intends to pay dividends twice a year provided sufficient profits are available for distribution.

The Board cannot give any assurance as to timing of future dividends or the level of franking of such dividends. The payment of dividends by the Company will be dependent on a number of factors including profits, the Company's franking credit position, operating results, cash flow, financial and taxation positions, anticipated future capital requirements and any other factors considered relevant by the Board.

2.19 DIVIDEND REINVESTMENT PLAN

The Company may in the future adopt a Dividend Reinvestment Plan to enable Shareholders to automatically reinvest dividends and receive new Shares. This will enable Shareholders to increase their holdings of Shares over the long term by reinvesting dividends payable to them in the Company.

The terms of any Dividend Reinvestment Plan to be adapted by the company and an invitation to participate in the Dividend Reinvestment Plan will be sent to Shareholders before the payment of the first dividend.

2.20 REPORTS TO SHAREHOLDERS

To assist Shareholders to assess the value of the Company's Shares and Options and to comply with the ASX Listing Rules, the Company will release to Shareholders periodic announcements in relation to its operating performance through the ASX.

2.21 OVERSEAS SHAREHOLDERS

This Offer is open only to Australian residents. No action has been taken to register or qualify the Shares and Options of the Offer, or otherwise permit a public offering of Shares and Options in any jurisdiction outside Australia.

The Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

It is the responsibility of all Applicants to ensure compliance with all laws of any relevant country. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty made by the Applicant to the Company that there has been no breach of such laws and that all necessary consents and approvals have been obtained.

2.22 UNITED STATES RESIDENTS

The Securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor will there be any sale of these Securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving those securities may not be conducted unless in compliance with the US Securities Act.

2.23 ENQUIRIES IN RELATION TO THE OFFER

This Prospectus provides information for potential investors in engage:BDR Limited and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in engage:BDR Limited, please contact your Lead Manager, accountant or independent financial adviser.

Any investor participating in the Lead Manager Firm Offer should contact their Lead Manager who has given them their Lead Manager Firm Allocation if they have any questions about the Offer or how to complete the Application Form, or if they require additional copies of the Prospectus or Application Form.

Other investors with questions on how to complete the Application Form or who require additional copies of the Prospectus or Application Form should contact +61 (03) 9415 4068 or refer to the Company's website at www.engagebdrshareoffer.com.au

Application Forms cannot be passed on to any other person unless accompanied by a complete and unaltered copy of this Prospectus.

3 ONLINE DIGITAL ADVERTISING MARKET

INDUSTRY OVERVIEW

3.1.1 BACKGROUND TO THE ONLINE DIGITAL ADVERTISING INDUSTRY

The global digital advertising market totalled USD $161.8 billion in 2016. (Source: Statista 2017). In 2017 digital advertising expenditure worldwide is expected to be USD $229.3 billion and this is expected to grow to $335.5 billion by 2020, (Source: Statisa Report 2017).

As a result of the importance of advertising to maintain and improve product and service differentiation, market share and pricing power, an increasing portion of advertising dollars are being spent on the sight, sound and motion of video advertising to more effectively advertise products and services to consumers. Consumers are increasingly moving to digital video advertising on desktop and mobile devices (Source: BI Intelligence Report 2017)

Companies have historically used traditional television advertising to deliver video messages to their intended audience. As a result, the traditional television market has been the largest advertising market segment for many years, reaching USD $197.0 billion globally in 2013, (Source: BI Intelligence Report 2017)

While traditional television advertising still represents a significant portion of today's total advertising expenditure, consumers are increasingly shifting their consumption of media content away from analogue mediums, such as traditional television, radio and print, to digital mediums such as online websites and mobile applications. It is estimated that advertisers will continue to increase their spending on digital video advertising globally over the next decade.

3.1.2 INDUSTRY TECHNOLOGY ISSUES

As advertisers increasingly move their advertising expenditure to digital they are experiencing difficulties in effectively executing their advertising campaigns. Advertisers often need to use multiple digital advertising technology providers to facilitate a campaign and they need to manage various technologies to incorporate data, media buying, execution and analytics. This has resulted in a complex, fragmented and inefficient system. At the same time digital publishers often need to use several partners to optimise the monetisation of their available inventory as well as to keep up with new methods in creating and selling advertising space.

Various software solutions have been developed to reduce operating costs, increase scalability and provide better information for advertisers. New platforms that enable "programmatic" buying are having an increasing effect on the digital advertising industry. The spread of programmatic technology has been driven by the desire to improve the performance and transparency of digital advertising campaigns.

As the digital advertising market continues to develop, advertisers are requiring new alternatives to the very manual and repetitive processes that they have historically used to plan, execute and measure their digital advertising campaigns and publishers have raised the standards that they require to be met for the delivery of ads onto their websites to maximise the returns from those websites.

Advertisers continue to experience a number of challenges including a manual and fragmented system for buying digital media. Advertisers often need to have their campaign message appear on a large number of websites across many types of digital devices to reach their intended audience and achieve their campaign objectives. These advertisers are currently often still required to use repetitive manual processes with multiple sources of inventory to select the advertising inventory suitable to reach their intended audience, which is both expensive and inefficient.

It is also difficult to integrate multiple technology providers. The various technologies required to effectively execute a digital advertising campaign are generally offered by a variety of different technology providers and it is often difficult for advertisers to make these technologies work well together. This significantly impedes campaign performance, increases costs and reduces efficiency.

There are currently a number options available to advertisers to help them manage the buying process. To reach audiences across a vast number of websites, advertisers are often forced to purchase inventory through media aggregators, which often do not allow advertisers to choose the websites on which their advertisements screen, make adjustments during the course of an advertising campaign, or obtain the data necessary to evaluate the effectiveness or otherwise of a campaign.

In the past television and digital advertising campaigns have also been purchased separately and their effectiveness measured using different metrics making it hard to compare the two mediums and leading to further complexity and inefficiencies.

As consumers increasingly view content through a wider range of devices and channels, it is becoming difficult for advertisers to assess a number of the objectives important to their advertising decision making, such as reach and frequency among their intended audience, engagement and awareness. Conducting advertising campaigns across multiple markets is currently an expensive and inefficient process requiring advertisers to deal with multiple agencies, advertising exchanges, advertising networks, platforms, website publishers and technology providers.

Advertisers often also still have limited control over the content that appears on the same page or website where their advertisement appears, whether the advertisement is delivered in a user initiated video player and whether it is viewable by the consumer. Advertisers are also concerned with the increasing proportion of fraudulent web traffic that is generated by computers, or "bots", resulting in advertisers paying for impressions that are not actually viewed by real consumers.

ONLINE DIGITAL ADVERTISING MARKET

3.1.3 PROGRAMMATIC ADVERTISING

Programmatic media platforms are effectively online marketplaces where digital advertising inventory is traded between buyers and sellers. This marketplace is known as a "real time bidding exchange" ("RTB").

Buyers can acquire digital advertising inventory without an advance reservation, arbitrary fixed prices and without any human interaction with suppliers. Sellers receive true market value for their advertising inventory because they receive many bids for each available impression in real time, at the time the impression (advertisement) is displayed (the page is loaded).

This use of programmatic technology has moved digital advertising companies from relatively high and variable cost structures to relatively lower fixed cost structures as increased revenues does not require having to employ sales people to sell the media

Programmatic advertising spending when compared with traditional, manual buying and selling of advertisements, has increased significantly in recent years, attracting advertising buyers because of its automated and easy deployment, ability to target users, rather than content and extensive reach.

Programmatic transacting relies on technology to dynamically buy and sell advertising space, eliminating traditionally inefficient and labour intensive processes, with the ability to execute in real time and decrease staffing while increasing productivity. Programmatic transacting allows advertisers automated and easy deployment, increased ability to target specific users, rather than content, and extensive reach. It allows publishers to better monetise more sources of revenue in addition to traditionally sold campaigns.

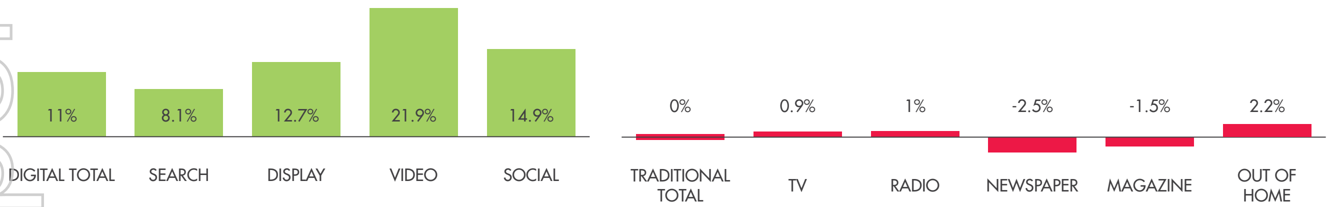
Programmatic advertising improves previous fragmentation in the marketplace, where advertisers need to manage several inventory sources manually and cuts down on previously wasted inventory (and missed revenue) for publishers. Companies with programmatic technology are also able to help advertisers and their agencies better access this inventory in real time and help publishers more effectively monetise their inventory.

Annual revenue for Internet advertising, including display and video advertising across all devices including desktop, mobile and smart TV, reached record highs in 2016 and is expected to continue growing as advertisers continue to move away from traditional media (including TV, radio, newspapers and magazines) to digital media (including search, display video and social media).

Digital advertising spending is expected to grow across all channels, particularly video, while growth in traditional channels will continue to slow and the shift from traditional to new digital media.

ADVERTISING REVENUE GROWTH (US)

(Compound Annual Growth Rate 2015 – 2020)



(Source: Business Inside Intelligence 2017)

4 THE COMPANY

THE COMPANY

SUMMARY

engage:BDR, founded in the U.S.A. in 2009, has developed its own proprietary "programmatic" technology that manages internet video and display advertising for advertisers and the publishers of websites who display those advertisements.

engage:BDR, which was originally established to better monetise the vast under monetised advertising inventory of MySpace, is now one of the leaders in the programmatic video and display advertising market, a market that is growing rapidly and in which demand from advertisers currently exceeds available supply.

engage:BDR has been ranked as high as No.1 on comScore's U.S. Display Ad surveys and No.9 on comScore's U.S. Video Ad ratings (Source: comScore 2016). It has achieved 97% internet penetration in the U.S.A and regulary has over 500 million Monthly Global Unique Users (Source: comScore). It conducts approximately 30-40 billion dynamic online advertising auctions each day.

The engage:BDR programmatic platform sits between publishers (websites and mobile apps) and advertisers seeking to have their advertisements appear on those websites. It derives its revenues from the margin it makes between what it buys and sells advertising inventory for.

Over the past 8 years, engage:BDR has developed technologies that allow publishers to optimise their revenues and create additional new revenue streams. engage:BDR's focuses on assisting publishers to maximise their revenues which has enabled it to create deep long term relationships with premium publishers. This has assisted engage:BDR in developing its high quality and unique advertising inventory and maximizing its margins above those achieved by many others in the industry.

engage:BDR has been at the forefront of many major developments in the digital advertising industry. Historically, advertising campaigns were purchased manually and sold "non-programmatically", which was both expensive and inefficient. In 2013/2014, engage:BDR began developing its own proprietary "programmatic" platform which utilises sophisticated technology to dynamically buy and sell advertising inventory, making the process much more cost efficient, less expensive and more easily scalable.

As the consumption of digital video content began to grow, engage:BDR also made a significant investment to enter the developing digital video market. In 2014, engage:BDR began serving video advertising through LiveRail, a third party supplier, while at the same time developing its own digital video advertising technology. In December 2015, engage:BDR launched its own programmatic video-serving platform, eliminating third party dependencies, dramatically reducing costs and increasing its operating margins.

engage:BDR's significant investment in technology in 2015 and 2016 has enabled it to grow its business, which is now made up primarily of programmatic display and video advertising and to substantially increase its operating margins. engage:BDR now owns its own proprietary technologies eliminating significant third party dependency.

engage:BDR proposes to acquire a number of companies with related businesses and technologies to more rapidly grow its business and substantially increase its revenues and earnings. Strategic acquisition opportunities have been identified and deal discussions have commenced. All of the potential acquisitions have had a long term relationship with engage:BDR and its founders and should be able to be integrated effectively.

BUSINESS

engage:BDR's programmatic media platform is an online marketplaces where its digital advertising inventory is traded between buyers and sellers in real time through a "real time bidding exchange" ("RTB").

The Company's buyers can acquire digital advertising inventory from the Company without an advance reservation, arbitrary fixed prices and without any human interaction with publishers. The Company's publishers receive true market value for their advertising inventory because they receive many bids for each available impression in real time, at the time the impression is displayed.

This use of the Company's programmatic technology has enabled it to move its digital advertising business from a relatively high and highly variable cost structure to a relatively lower more stable fixed cost structure as its increased revenues does not require it having to employ additional sales people to sell the media.

engage:BDR's programmatic marketplace also has competitive advantages because it includes unique, credible and high quality inventory and suppliers. It is also valuable for suppliers and its buyers, which may not be integrated into competing platforms. The engage:BDR platform aims to reduce duplicate inventory opportunities (bid requests) and filters out fraudulent or invalid traffic, eliminating or minimising the loss for advertisers

engage:BDR also has a number of competitive advantages. The Company owns significant amounts of its own hardware and has significant competency in co-location which substantially reduces its infrastructure overhead when compared with its competitors many of whom are using third party suppliers. engage:BDR's proprietary technology comprises many millions of lines of code which would be extremely difficult for any new company entering the space to replicate both in terms of time and cost. In addition its relationships with advertising buyers and sellers is longstanding. Companies can obtain some level of intellectual property protection but the sector and technology is moving so quickly that the real protection afforded by the usual IP protections would be of limited value and further development and enhancements to the technology generally prove to be the best protection for the Company

The Company's plan is to integrate further client supply and demand platforms into its programmatic platform from its existing 28 completed integrations to its additional 53 contracted integrations which are currently in the pipeline to be integrated and beyond that to convert as many as it can of the additional 60 business development prospects that it is currently pursuing.

The Company is also aiming to further develop the technology and business of the Tiveo business, which it acquired in August 2017. This acquisition brought with it additional technology, people and business opportunities which the Company intends to develop in the year ahead.

ADVERTISING INVENTORY

engage:BDR provides advertising solutions for advertisers and publishers across mobile, desktop, tablet and SmartTV devices. Engage:BDR's technologies allow publishers to achieve optimal monetisation of standardised units, like display and InStream Video.

engage:BDR also offers an Out-stream advertising product for publishers which has enabled publishers to create new advertising space on their websites and thereby increase the revenue opportunities available to them. It also allows those publishers to differentiate their advertising inventory from that of their competitors.

INSTREAM VIDEO

Pre and Mid-Roll Content Syndication

OUTSTREAM VIDEO

Corner Stream Content Stream

DISPLAY

Impression Above the fold

PRECISION TARGETING

engage:BDR uses its significant scale and premium advertising inventory to create advertising campaigns for clients to meet their specific key performance indicators ("KPI's") and objectives.

engage:BDR has established one of the most comprehensive data targeting suites in the industry which is designed to target the advertiser's intended consumers at the right place and at the right time for maximum impact and effectiveness.

engage:BDR began developing it programmatic capabilities ahead of many others in the industry and is now well positioned to expand its business by having both programmatic bidding and real time buying "RTB" auctioning (buying and selling) capabilities.

engage:BDR's significant investment in the development of its sophisticated propriety programmatic platform, during 2015 and 2016, positions it to be a significant player in the digital advertising industry over the next 5-10 years.

OPERATING MARGIN GROWTH

The transition of the engage:BDR business towards being primarily programmatic based has led to a significant improvement in technology, labour and other cost efficiencies and to considerably improved the profit margins being achieved. This trend is expected to continue as further improvements to the technology are introduced and greater scale is achieved.

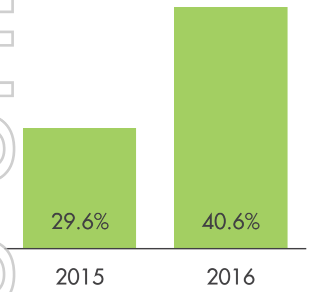
engage:BDR's operating margins have improved from 15-20%, being the approximate industry average, to between 40-45% recently as engage:BDR has focused its business on the premium end of the market and sought to distinguish itself from the already commoditised lower end of the market.

engage:BDR's decision to develop its own proprietary programmatic platform in 2015-2016 has also reduced its dependency on expensive third party platforms and further increased its operating margins when compared with its competitors.

THE COMPANY

INCREASE IN GROSS PROFIT AS A PERCENTAGE OF REVENUE

(as consequence of the move to programmatic)



Refer Section 7 for further details

BUSINESS TRANSITION AND COMPOSITION

engage:BDR has been at the forefront of many of the more significant developments in the digital media and advertising industry since it was established in 2009.

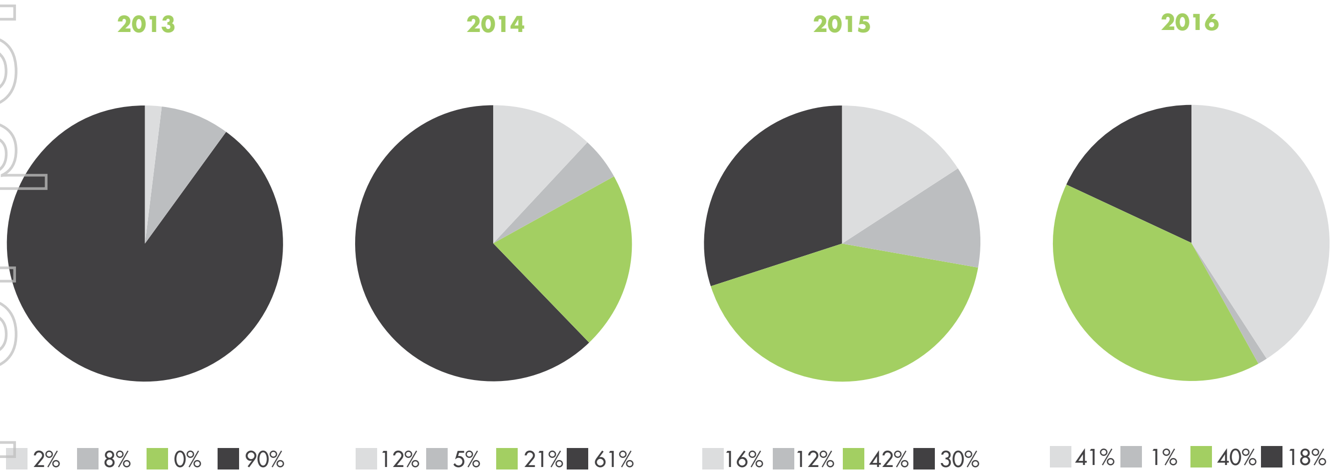
Historically, advertising campaigns were purchased manually which was both expensive and inefficient. In 2013/2014, engage:BDR began developing its own "programmatic" platform that utilises advanced technologies to dynamically buy and sell advertising inventory, making the process much more cost-efficient, less labour force dependent and more easily scalable.

As the demand for, and consumption of, digital video content began to grow in recent years,engage:BDR made a significant investment to enter the market using LiveRail, a third party supplier, while at the same time developing its own programmatic platform.

In December 2015, engage:BDR launched its own proprietary programmatic platform eliminating its dependency on LiveRail and other third parties. This significantly reduced its costs and increasing its operating margins.

During 2016 engage:BDR also focused on negotiating, selling and integrating demand partnerships that position engage:BDR extremely well to significantly increase its digital video and display sales.

The diagrams below show engage:BDR's transition from Non Programmatic to Programmatic between 2013 and 2016.



Display Programmatic
Video-Non Programmatic
Display-Non Programmatic
Other Income

REVENUE MODEL

The business acts on both the demand and supply side of advertising buying and selling. It purchases media inventory, charges a margin on top of the cost of that inventory of and then sells that inventory to advertisers.

THE COMPANY'S INDUSTRY RANKING/ POSITION

engage:BDR is regularly featured in comScore's list of the top video and display advertising companies in the USA (measures reach of unique users).

engage:BDR has regularly achieved a Top 10 ranking in video and display advertising and in January 2016 was ranked 9th. It regularly ranks in the top 10-15 Company's on ComScores rankings.

RANKINGS		TOTAL AUDIENCE
1	AOL, Inc.	130,720
2	BrightRoll Platform	100,681
3	Google Sites	98,765
4	Altitude Digital	86,722
5	SpotX Video Advertising Platform	84,737
6	Teads Sites	75,513
7	LiveRail	71,746
8	Specific Media	67,450
9	**Engage BDR**	**55,140**
10	Tremor Video	52,103
11	YuMe	46,712
12	ROCKYOU.COM*	45,095
13	Videology	44,814
14	Electric Sheep	35,922
15	Yahoo SItes	32,163

(Note: ComScore provides one of the most authoritative list of rankings of companies in the sector)

PUBLISHER RELATIONSHIPS

engage:BDR has established a wide range of direct relationships with many of the comScore top 1000 sites / networks /applications. engage:BDR's in-house publisher development team works with publishers to ensure that advertising campaigns meet the advertiser's and publishers' expectations and objectives.engage:BDR currently has a wide range of relationships with publishers in more than 30 countries globally

THE FUTURE

engage:BDR is aiming to capitalise on its existing technologies to grow its digital advertising video and display businesses. The growth is expected to come from both expanding the use of the platform by engage:BDR's existing clients as well as from new clients.

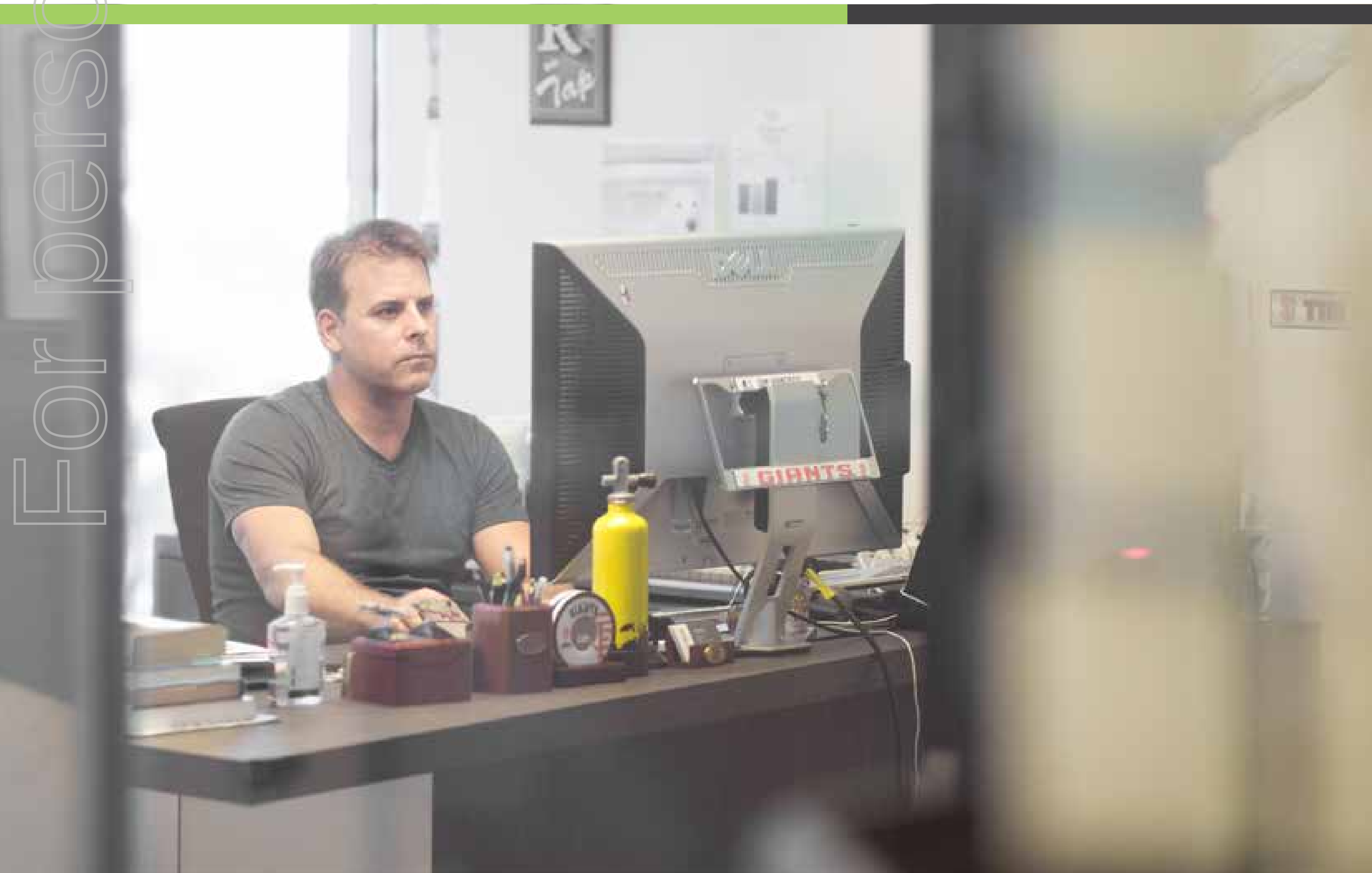
engage:BDR will continue to invest in proactive research and development and develop new features, functionalities and products to add to its existing product suite. This will enable it to expand its number of revenue streams as the industry evolves and client expectations become more sophisticated.

It also intends to acquire additional digital video and display advertising and related technology companies that have significant revenues and cash flow and good management. This will enable it to diversify and expand its product and service offerings and create additional incremental revenue streams.

It also intends to vertically integrate publishers to form a larger portfolio of owned-and-operated web and mobile app properties, which will enable it to increase margins and lower dependency on any particular publishers or advertisers.

engage:BDR intends to stay at the forefront of the industry by focusing on developing and acquiring emerging marketing technologies in addition to its video and display advertising businesses. It has recently developed a platform to streamline the buying and selling of "influencer marketing inventory" on sites including Instagram and developing new products and services for Smart TV's.

5 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE



BOARD OF DIRECTORS

TED DHANIK
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

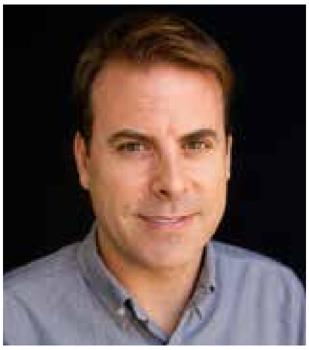
Ted Dhanik is one of the co-founders of engage:BDR LLC. He serves as Chief Executive Officer overseeing corporate development, strategic marketing, sales and business development, and product strategy.

From 2003 to 2008, Ted worked with MySpace.com developing strategic marketing initiatives. He worked very closely with founders Chris DeWolfe and Tom Anderson and was responsible for launching the brand in its early days through a combination of on and offline campaigns. Ted also worked in business development at LowerMyBills.com from its early days until its acquisition by Experian. Ted was also an integral part of the development and launch of the consumer lending program at NexTag Corporation.

He has worked for, or been a partner at, several other companies in business development, sales, and managerial positions, including Xoriant Corporation, Atesto Technologies, Brigade Solutions, Beyond.com/ Cybersource Corporation and Merrill Corporation.

Ted also advises a number of technology startups including Fighter, LottoGopher and Schizo Pictures and is an active mentor at Los Angeles-based startup accelerator Start Engine. He is passionate about being a thought leader in the industry and he is regularly published in leading publications.

He regularly contributes to discussions about industry standards and achieving positive change, sitting on IAB committees including the Anti-fraud Workgroup, Anti-malware Workgroup, Traffic of Good Intent Task Force, Programmatic Counsel, Digital Video Committee, Mobile Advertising Committee and Performance Marketing Committee.



KURTIS RINTALA
EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER

Kurtis Rintala is one of the co-founders of engage:BDR. He serves as the Chief Operating Officer overseeing the day-to-day operations and leading the execution of the strategic direction of the company.

Kurtis establishes policies that promote the company culture and vision. He sets comprehensive goals for performance and growth and leads employees to encourage maximum performance and dedication. He evaluates performance by analyzing and interpreting data and metrics. He writes and submits reports to the CEO in all matters.

Kurtis began his career in the technology industry in 2003 as an early member of the successful Internet startup, LowerMyBills.com.

TOM ANDERSON
NON EXECUTIVE DIRECTOR

Tom Anderson provides the Company with the benefit of his wide ranging expertise in social media and innovative product design and to assist to steer the company's future growth strategy.

Prior to joining the engage:BDR board, Tom founded and served as President of MySpace, simultaneously inventing "social media" while revolutionising the music industry. After its launch in 2003, Myspace became the #1 most visited site on the web quickly, surpassing company's such as Google, Yahoo and Amazon. At its peak, Nielsen Net Ratings reported that MySpace captured more than 10% of all minutes spent online.

By the time Anderson left the company in 2009, he had amassed more than 350 million friends on MySpace, making him the first and still ultimately the biggest "influencer" of all time. His MySpace profile photo, the, pixelated photo which he never changed and still uses to this day is estimated to have been viewed more times than any single photograph in history. Before retiring in 2009, TIME Magazine included Tom among its list of the 100 most influential people in the world, and Barbara Walters named him one of her 10 Most Fascinating People.

After leaving the technology world, Tom has become an internationally recognized photographer, traveling to more than 40 countries in pursuit of his aesthetic passion. Tom's photos have appeared in countless magazines, newspapers, and websites. He now also has a keen interest in architecture.

Prior to his entrepreneurial and creative pursuits, Tom graduated with the Departmental Citation in English and Rhetoric at the University of California at Berkeley and later completed a Masters in Film & Critical Studies at UCLA.

BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

BRUCE MCMENAMIN B. BUS (ACC.) CPA FICA
NON EXECUTIVE DIRECTOR

Bruce was appointed to the Board of the Company in August 2017. Bruce is a member of the Institute of Chartered Accountants AANZ. He has over 35 years experience as a practicing accountant and professional advisor. He specialises in all levels of business strategy, corporate finance, mergers and acquisitions. As an adviser to some of Australia's largest privately owned companies and high net worth families he has been involved in many significant corporate transactions and resultant operations. He has been a member of numerous audit and finance committees and has a strong focus on governance and compliance.

RON PHILLIPS
NON EXECUTIVE DIRECTOR

Ron's career has spanned five decades of experience in advertising, marketing, media and communications across full service advertising agencies and specialist media communication networks. His client experience includes responsibility for some of the largest master media contracts in retail, leisure and entertainment and Government

As a Company Director and Media Director Ron has managed significant global brands.
Over the last decade with the Dentsu Aegis Network Ron has worked closely with businesses specialising in performance media, automation, analytics and insight, digital, creative, influence, social media, content and lifestyle.

Ron has made a significant contribution to industry education with RMIT University and in 2009 was awarded an Honorary Life Fellowship of the Advertising Institute of Australia (AIA) in recognition of a lifetime of encouragement and support for advertising education. Ron has also contributed in the "not for profit" sector and has done significant pro bono work.

EXECUTIVES AND SENIOR MANAGEMENT

YOUQI LI
CHIEF TECHNOLOGY OFFICER

Youqi Li is the Chief Technology Officer at engage:BDR. In his role, he leads the engineering team in Research and Development, planning and execution of the product roadmap, and forecasting the technical direction of the organization.

Youqi has over ten+ years of experience in software development and nine years of experience within the digital advertising industry. He joined engage:BDR in its early stages and helped to build the engineering team from the ground up. Prior to that, he worked in multiple startups and research centers, which helped him develop agile and open-minded technical expertise.

Youqi received his Master's Degree in Computer Science from the University of Southern California. In his spare time, he enjoys traveling, reading, writing, snowboarding, golfing, diving, and spending time with his daughter.

KEVIN KWOK B. SC (SCA) CPA
CHIEF FINANCIAL OFFICER

Kevin Kwok is Chief Financial Officer of engage:BDR, responsible for leading all aspects of finance for the Company globally.

Prior to joining the Company, Kevin was a Chief Financial Officer at the Milken Institute, leading the Finance and Accounting functions. Kevin was responsible for investor reporting, management reporting, performance management of the business, investor relations, and cash flow management. Previously, Kevin was with Antar Investments as a VP of Finance and Operations overseeing a multi-billion dollar international portfolio. Prior to this Kevin worked with Ernst & Young LLP.

Kevin holds a Bachelor of Science from the University of Southern California, is a member of the American Institute of Certified Public Accountants, volunteers as a mentor for USC's Asian Alumni Association, and has been featured by Bloomberg.

SARAH WETZEL BA (BIOL) M. (HR)
VICE PRESIDENT OF OPERATIONS

Sarah Wetzel is Vice President of Operations at engage:BDR. In her role, Sarah oversees the daily operations of the company and the work of the executives and department heads. She closely manages each department by streamlining and improving the processes and communication within and across departments by acting as a right hand to the COO. Sarah manages many of the Company's vendor and supplier relationships, and plays a key role in assisting with implementing the strategic expansion of the Company.

Sarah earned a Masters of Human Relations from The University of Oklahoma and a Bachelor of Arts in Biology from Saint Anselm College. She has fifteen years of experience in operations and human resources working in various industries such as education, biotech and pharmaceuticals and medical research before joining engage:BDR.

While at Abraxis Bioscience Inc, Sarah played an integral role during the acquisition of Abraxis for $2.9 billion by Celgene Corp, a Fortune 500 global biopharmaceutical company. Sarah also sits on the Board of GirlCode LA, a non-profit organisation formed to encourage girls to enter careers in technology. She also has a strong passion for coaching and empowering others to realise their potential in their careers.

ANDY DHANIK
VICE PRESIDENT OF DEMAND

Andy Dhanik is the Vice President of Demand for engage:BDR. In his role, he steers the demand strategy for all products with a focus on revenue growth. He oversees a team responsible for client and campaign on-boarding and management, who ensure that client needs are aligned with the optimisation and product teams. He provides strategic guidance to clients, and works with the engineering group to ensure that advertiser needs are being met by new product releases.

Andy has been with engage:BDR since the early days, when he commenced as an Account Manager to overseeing the full Client Services team. This experience and tenure in the industry provides him with a deep knowledge of the industry, company, and products offered. He attended California State University, East Bay, where he majored in Business Administration with emphasis on Marketing

MONA JALALI
VICE PRESIDENT OF INVENTORY QUALITY

Mona Jalali serves as the Vice President, Inventory Quality at engage:BDR. In her role, she oversees the Publisher Development and Ad Operations teams and all related functions. Mona has a special focus on ensuring excellence in Inventory Quality, an issue of paramount importance. She works with the internal engineering team as well as strategic external partners to best leverage technology and innovate new ways to minimize ad fraud, improve performance for clients, and add value to publisher partners.

Mona has been at engage:BDR since its infancy and has helped grow the company to its current stature. Before that, she worked at Fox Audience Network within the MySpace team. Mona received her Bachelor's Degree in Business Administration with a concentration in Finance at Cal State Fullerton.

KENNETH (KEN) KWAN
CHIEF INFORMATION OFFICER

Ken serves as a strategic advisor at engage:BDR. Before taking this position, he lead the engineering team full-time, where he oversaw the company's technological expansion for its first several years of existence and growth.

Prior to engage:BDR, Kenneth served as Senior Software Engineer at Buzznet Media. In addition, he joined Fox Interactive to oversee various web products and their monetisation at Slingshot Labs. Kenneth worked at Valueclick where he helped design, implement, and maintain various key components of their delivery engine.

He received his Masters in Computer Vision and Pattern Recognition and Computer Science from The University of Kentucky.

ROSLYNN COBARRUBIAS
VICE PRESIDENT OF CONTENT

Roslynn Alba Cobarrubias is the Co-Founder & CMO of mydiveo.com, the largest directory of video profiles in the world, which expedites the process of discovery, hiring and collaboration by providing artists, influencers & brands with a mobile video portfolio highlighting their x-factor & social reach. At mydiveo, Roslynn has worked with companies including America's Got Talent, the White House AAPI & Tanduay Rum.

Prior to her current role, Roslynn was the Head of Artist Relations & Integrated Marketing at MySpace.com, a company she helped market & develop since its start-up stages for close to 10 years. While in that post, she helped to launch MySpace Music, MySpace UK, MySpace Mexico, MySpace Latino & MySpace Comedy across the globe. As the first person hired in artist relations at MySpace, she was a part of the team that helped build the website to become the #1 website in the world with over 200M users, revolutionizing the music & social industries.

Billboard Magazine named Roslynn one of the "Top 30 Music Industry Professionals Under 30" and has also been featured in The Source Magazine "Power 30" alongside notables Diddy & Russell Simmons with the Myspace Co-Founders. To date, she's produced over 500 live events, editorial & integrated marketing programs with top tier artists and brands like Jay-Z, Rihanna, Bruno Mars, Justin Bieber, Eminem, Drake, Miguel, Kendrick Lamar, AT&T, Coca-Cola, Budweiser and Wendy's.

DIRECTORS' INTERESTS IN THE COMPANY

5.1.1 SECURITIES

The Directors' interests in the securities of the Company, either held directly or through entities controlled by Directors, as at the date of this Prospectus are set out below:

DIRECTOR	PRE IPO SHARES	POST $4M	POST $6M
Ted Dhanik	58,038,665*	26.42%	26.27%
Kurtis Rintala	36,532,175*	16.63%	15.90%
Tom Anderson	1,500,000	0.68%	0.65%
Bruce McMenamin	0	0	0
Ron Phillips	0	0	0
TOTAL DIRECTORS	**96,070,840***	**43.73%**	**41.82%**

* Subject to voluntary escrow, 100% for 12 months, 50% for 24 months

The Directors and shareholders may subscribe for Shares as part of the Offer.

5.1.2 FEES AND BENEFITS

Except as disclosed in this Prospectus, no Director has, or has had, within two years of lodgement of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities; or
- the Offer under this Prospectus.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated:

- to induce him to become, or to qualify as, a Director; or
- for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

5.1.3 REMUNERATION

In accordance with the Company's Constitution, the number of Directors of the Company is to be not less than three but no more than eight. The Company in general meeting may by resolution increase or reduce the number of Directors but the number must not be reduced below three.

Under the Company's Constitution, each Director (other than a Managing Director or an Executive Director) may be paid remuneration for ordinary services performed as a Director.

Under ASX Listing Rules the maximum fees payable to Non-Executive Directors may not be increased without prior approval from the Company at a General Meeting. Directors will seek approval from time to time as deemed appropriate.

The maximum total remuneration of the Company's Non-Executive Directors has been fixed at AUD $250,000 per annum to be divided among them in such proportions as is determined by the Board.

Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Directors.

Where the Company requests Non-Executive Directors or their related entities to perform additional services outside the normal scope of their duties as Directors, further amounts may be paid at ordinary commercial rates for such services.

The Directors will be entitled to payment of the annual directors' fees as set out below from the date on which the Company is admitted to the Official List of ASX:

DIRECTOR	TOTAL
Mr. Ted Dhanik | Executive Chairman	AUD $290,000
Mr. Kurtis Rintala | Executive Director	AUD $290,000
Mr. Tom Anderson | Non- Executive Director	AUD $55,000
Bruce McMenamin | Non-Executive Director	AUD $40,000
Mr. Ron Phillips | Non-Executive Director	AUD $40,000

In addition the Company may pay superannuation contributions and salaries, as required by law.

The above may vary from time to time, particularly having regard to the operations of the Company and increases in the size and scale of the business. Details of salaries and fees paid will be included in the Remuneration Report as part of the Company's Annual Report.

RELATED PARTY TRANSACTIONS

Chapter 2E (at section 208) of the Corporations Act provides that unless the giving of the financial benefit falls within an exception set out in the Chapter, a public company or an entity that the public company controls can only give a financial benefit to a related party of the public company if approval of the public company's members is obtained in accordance with that Chapter and the benefit is given within 15 months after that approval.

Section 210 of the Corporations Act provides:

> Member approval is not needed to give a financial benefit on terms that:
> (a) would be reasonable in the circumstances if the public company or entity and the related party were dealing at arm's length; or
> (b) are less favourable to the related party than the terms referred to in paragraph (a).

Mr Ted Dhanik is the Executive Chairman of the Company.
Mr Kurtis Rintala is an Executive Director of the Company

Other than as set out above and disclosed in the General Purpose Financial Statement of engage:BDR for the years ended 31, December 2015 and 2016 at Note 23, there are no existing agreements or arrangements nor any currently proposed transactions in which the Company was, or is to be, a participant and in which any related party of the Company has or will have a direct or indirect interest in the Company or the Offer except as disclosed in this Prospectus.

DEEDS OF ACCESS, INDEMNITY AND INSURANCE

The Company will enter into Deeds of Access, Indemnity and Insurance with each Director which confirm each person's right of access to certain books and records of the Company for a period of seven years after the Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires. The deeds may also require the Company provide an indemnity for liability incurred as an officer of the Company, to the maximum extent permitted by law.

Pursuant to the deeds, the Company will arrange and maintain Directors' and Officers' Insurance during each Director's period of office and for a period of seven years after a director ceases to hold office. This seven year period can be extended where certain proceedings are investigations commence before the seven years expires.

The deeds are otherwise on terms and conditions considered standard for agreements of this nature.

CORPORATE GOVERNANCE

5.1.4 BOARD OF DIRECTORS

The Board consists of an Executive Chairman, 1 Executive Director and 3 Non-Executive Directors. The Board's future intention is that it will include a majority of independent directors.

Under the Company's constitution, Directors are elected for a period of three years subject to the requirements that one-third of the directors must retire at each annual general meeting. A retiring Director may offer themselves for re-election.

The Board is responsible for the overall corporate governance of the Company. Issues of substance affecting the Company are considered by the full Board, with advice from external advisers as required. Any conflict of interest must be declared by the Director(s) when it arises, and Directors do not participate in discussions or resolutions pertaining to any matter in which a material personal interest of the Director conflicts with the interests of the Company. In particular, Directors with material personal interests in a particular matter that may effect the Company do not participate in discussions, consideration or voting concerning entry into contracts with, remuneration of, review of the performance of or potential termination of contracts.

The Board has ultimate responsibility to the Shareholders for the welfare of the Company by guiding and monitoring its business affairs. The Board delegates management of the Company's resources to the Executive Chairman, to deliver the strategic plans and goals as set by the Board.

In discharging their duties, Directors are provided with direct access to senior management of outside advisers and to the Company's auditors. Board committees and individual directors may seek, with the Executive Chairman's approval, independent professional advice at the Company's expense for the purposes of the proper performance of their duties. The Company's policy is to execute a formal deed with each Director and the Company Secretary, to clearly set out the parties' expectations regarding access to board papers, indemnity and insurance.

5.1.5 CORPORATE GOVERNANCE POLICIES

The Board endorses the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council (ASX Recommendations).

The Board has adopted detailed corporate governance policies, dealing with amongst other things management of potential conflicts of interest, securities trading policy, as summarised below.

BOARD CHARTER

The Board Charter formalises the functions and responsibilities of the Board. The Board is ultimately responsible for all matters relating to the running of the Company.

POLICY ON ASSESSING INDEPENDENT DIRECTORS

In assessing a director's independence, the Board will consider the relationships which may affect independence in accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

CODE OF CONDUCT

The Code of Conduct outlines how the Company expects its Directors and employees to behave and conduct business, particularly in relation to:

(a) commitment to employees, customers, shareholders and communities;
(b) compliance with and respect for the law;
(c) fair dealing;
(d) equal opportunity and anti-discrimination;
(e) financial and other inducements;
(f) occupational health and safety;
(g) use of information;
(h) conflicts of interest;
(i) use of Company property and assets; and

BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

GUIDELINES FOR DEALING IN SECURITIES

These Guidelines set out the policy on the sale and purchase of the Company's securities by its Directors and employees. The Guidelines detail: prohibition on insider trading; blackout periods; exceptions and approval and notification requirements.

INFORMATION POLICY

The Information Policy sets out the procedure for:

(a) protecting confidential information from unauthorised disclosure;
(b) identifying material price sensitive information and reporting it to the Company Secretary for review;
(c) ensuring the Company achieves best practice in complying with its continuous disclosure obligations under the Corporations Act and the Listing Rules; and
(d) ensuring the Company and individual officers do not contravene the Corporations Act or the Listing Rules.

SHAREHOLDER COMMUNICATION POLICY

The purpose of this Policy is to promote effective communication with Shareholders and encourage Shareholder participation at General Meetings.

REMUNERATION AND NOMINATION COMMITTEE CHARTER

This Charter sets out the role, operations and responsibilities of the Committee; considerations in determining executive and non-executive Director remuneration; incentive and benefit programs; and the authority and resources of the Committee.

The functions of the Remuneration Committee are to be performed by the Board as a whole pending the size of the operations of the Company warranting a separate Committee.

REMUNERATION POLICY

The Company's Remuneration Policy provides guidance on how the Company's directors, officers and employees are to be remunerated and rewarded.

AUDIT AND COMPLIANCE COMMITTEE CHARTER

The purpose of the Company's Audit and Compliance Committee Charter is to ensure independent oversight of the accounting functions and internal controls of the Company, its subsidiaries and affiliates and to ensure the objectivity of the Company's financial statements and reporting to public and regulatory bodies.

The Charter outlines the Committee's functions and provisions relating to appointment of auditors; accounting standards; financial disclosure documents; internal controls; risk management; tax policies; compliance; external legal advisers and litigation; adequacy of personnel; offering of securities; oversight of directors and senior management; amendments to the Charter; and composition and operation of the Committee.

RISK MANAGEMENT POLICY

This Policy sets out the Company's approach to risk and outlines the role of the Board and delegated responsibility; role of the Executive Chairman and accountabilities; authority of the Executive Chairman; risk profile; responsibility to stakeholders; and continuous improvement.

DIVERSITY POLICY

The Company and all of its related bodies corporate are committed to workplace diversity and recognises that diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Policy outlines the Company's diversity objectives; responsibilities of the Board; strategies for monitoring; and evaluation and reporting.

The Board recognises the need for the Company to operate within the highest standards of behaviour and accountability and has considered the ASX Recommendations in adopting its corporate governance policies as described above.

The Company will seek to follow the ASX Recommendations and, as required by the Listing Rules, where the Company determines that it is inappropriate to follow any of the ASX Recommendations due to its particular circumstances, it will provide reasons for not doing so in its Annual Report.

The Board will consider its corporate governance policies and procedures on an ongoing basis to ensure that they remain adequate given the nature of the Company's operations and its size.

A copy of the Company's Corporate Governance Manual will be lodged with ASX. A copy of the Corporate Governance Manual will be available from the Company's website, www.engagebdr.com.au, after that time.

The Corporate Governance Manual is provided for those Applicants and their advisers who wish to obtain further detail about the Board's governance practices.

REPORTS TO SHAREHOLDERS

The Company will inform Shareholders of all material developments affecting the Company's business in accordance with all applicable disclosure requirements under the Corporations Act and the Listing Rules.

Information is communicated to Shareholders through the Annual General Meeting, Annual Report, half year and full year results, announcements to ASX and the Company's website at www.engagebdr.com.au

6 RISK FACTORS

INTRODUCTION

An investment in the Company involves a number of risks. The future performance of the Company and the future trading performance of the Shares and Options offered under this Prospectus may be influenced by a range of factors.

While the Company anticipates that the Board, executives and senior management will use prudent management techniques to minimise risks or their effect on the Company's principal activities, many risks and their effects, which may affect the Company, its operations, Shares and Shareholders are outside the control of the Board and the Company.

The risks may result in the loss of part or all of the Company's value, or operational or accounting losses by the Company.

No assurances can be given by the Company as to the success or otherwise of its business. Neither the Company, its Directors, service providers nor advisers can warrant the future performance of the Company, its businesses, or any return on an investment in the Company's Shares and Options.

Prior to making any decision to accept the Offer, Applicants should carefully consider the Prospectus as a whole and the risk factors described below.

RISKS PARTICULAR TO THE COMPANY

Particular risks relating to the Company's proposed activities include, but are not limited to:

6.1.1 IMPLEMENTATION OF THE BUSINESS PLAN

The successful delivery of the business plan developed by engage:BDR is an important element in the expected growth of the business. If the Board, executives and senior management are unable, for whatever reason, to continue implementation of the business plan, or if events undermine the implementation of the business plan, there is a risk that the Company will not be able deliver the expected financial returns. If this were to occur, there could be a negative impact on the business and the performance of the Company, which in turn may materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

6.1.2 NEW BUSINESS PROCESS RISK

engage:BDR has only recently transitioned its business from a "non-programmatic", manual sales business, using traditional sales people to sell advertising on publisher's websites, to a programmatic business utilising its proprietary programmatic technology. As the technology based programmatic method of buying and selling media is relatively new there is a potential risk that advertisers and publishers do not ultimately embrace this new means of buying and selling digital media and decide to revert to the old methods of physical sales people buying and selling digital media. If this were to occur there is a risk that the Company's business will not grow as anticipated.

6.1.3 TRANSITION FROM OLD TO NEW MEDIA

The digital advertising market is relatively new and while the growth of the industry is expected to be significant over the next few years there is a risk that the migration from traditional media, including television, radio, print and outdoor to digital media on mobile devices, desktop computers and Smart TV's may be slower than anticipated and this could effect the rate of adoption of programmatic technology for the buying and selling of media and thereby the Company's overall rate of growth.

6.1.4 INCONSISTENT GROWTH

engage:BDR has grown significantly since inception however that growth has not always been consistent over the past 8 years and engage:BDR has achieved profits in some years and losses in others, including loses in the last two years, as it transitioned its business from a non programmatic to a largely programmatic based business. This volatility in the growth and revenues and costs of its business could continue in the years ahead as various parts of the digital advertising market move to programmatic based operations at different speeds.

6.1.5 FUTURE PERFORMANCE OF THE DIGITAL ADVERTISING MARKET AND STOCK MARKETS

The returns to the Company and Shareholders will be affected by the state of the digital media and advertising market and general economic conditions in addition to the performance of the USA and Australian stock markets. Changes in the general economic climate in the USA and Australia and other countries in which the Company operates may adversely affect the business activities of the Company. Factors that may contribute to that economic climate in the USA and Australia and other countries include the general level of economic activity, interest rates, inflation and other economic factors.

6.1.6 ENGAGE:BDR HAS INCURRED LOSSES IN THE PAST AND IT MAY NOT ACHIEVE PROFITABILITY IN THE FUTURE.

engage:BDR incurred a loss in the 2016 financial year. The Company may not achieve profitability in the near future as its operating expenses are likely to increase as the Company continues to invest in research and development to enhance its platform and in sales and marketing activities to acquire new clients. These efforts may prove more expensive than the Company currently anticipates, and it may not succeed in increasing its revenues to offset these higher expenses. Even if the Company does increase its client base, it may still not become profitable in the future or may be unable to maintain profitability once achieved. Although engage:BDR's revenues have increased significantly since it was established, the Company may not be able to maintain this revenue growth. Revenue growth may slow or revenue may decline for various reasons, including slowing demand for the Company's products or services, increased competition or declines in the digital advertising market generally.

6.1.7 ENGAGE:BDR'S RELATIVELY LIMITED TRADING HISTORY MAKES IT DIFFICULT TO EVALUATE ITS FUTURE PROSPECTS.

While engage:BDR has experienced significant growth since it was established in 2009, engage:BDR's relatively short operating history and rapidly developing business model make it very difficult to accurately predict its future prospects. engage:BDR has experienced and is likely to continue to experience the growing pains often experienced by companies in new and developing markets, including acceptance of its platform and competition from other companies in the market. The Company may not be able to adequately address these risks, which may have a materially adverse effect on the Company's operating results.

6.1.8 THE COMPANY MAY NOT BE ABLE TO GROW ITS REVENUES AND EARNINGS

The Company's revenue and earnings growth will depend on its ability to acquire new clients and achieve a larger proportion of its existing customers' advertising spend. It will also depend on its ability to develop new technologies, the features and functionality of its platform and to compete in new digital video advertising markets. A number of factors outside the Company's control may also affect the Company's revenues, including changes in advertising budgets and campaign timing. Decisions by advertisers to postpone or reduce their advertising spending or spend their advertising budgets in areas other than display and video advertising could slow the Company's revenue growth or reduce its revenue. The Company's inability to implement its planned strategy may also affect the Company's revenues.

6.1.9 THE COMPANY MAY EXPERIENCE SEASONAL FLUCTUATIONS IN ITS OPERATING RESULTS.

The Company's operating results will fluctuate due to a variety of factors, many of which are outside of the Company's control. Potential investors should not consider engage:BDR's historical performance and results, as indicative of its future performance.

In addition to other risk factors listed in this section, factors that may affect the Company's operating results may include the following:

- the quantum of advertising spend managed through the engage:BDR platform for a particular period and the composition of that advertising spend;
- changes in digital video and display advertising budgets of and spending by clients
- the length and lack of predictability of sales cycles;
- the operating expenses related to the growth of the Company
- the timing and amount of investment required in the development of new features and functionality for the engage:BDR technology platform;
- changes in the availability or cost of advertising inventory;
- the progress made and success or otherwise of the Company's competitors;
- changes in the advertising prices charged by the Company's competitors'
- any network outages or security breaches suffered by the Company;
- increasing of the time between when the Company pays for advertising inventory and the collection of payments from clients for that inventory;
- changes in the digital advertising industry landscape, including mergers and acquisitions by its competitors;

As a consequence of the factors described above, the Company has only a limited ability to estimate its future revenue, expenses and operating results.

6.1.10 DIGITAL VIDEO ADVERTISING IS RELATIVELY NEW AND THE MARKET MAY DEVELOP AT A RATE DIFFERENTLY THAN EXPECTED.

The majority of engage:BDR's revenues have recently been derived from clients that purchase digital video and display advertising through engage:BDR's programmatic platform. The Company expects that spending on digital video advertising will continue to be its primary source of revenue and that its revenue growth will depend on increasing digital video and display advertising spending through its platform both from existing and new clients.

The market for digital video and display advertising is relatively new and advertisers currently still only allocate a proportion of their advertising budgets to digital video advertising relative to their spend on traditional advertising including television, newspapers, radio, cinema and billboards. The Company's clients may find digital video and display advertising to be less effective than other advertising methods, and they may not increase their spending on digital video advertising as quickly as a result.

Historically digital advertising has been display advertising including banner ads on websites and was focused on desktops. New distribution avenues including mobile devices and social media are relatively unproven and may not prove to be as attractive to advertisers as anticipated. The growth of the Company's business may be constrained by a slower level of acceptance and growth of digital video advertising as a format than anticipated.

6.1.11 IF CLIENTS DO NOT MAINTAIN OR INCREASE THEIR ADVERTISING SPEND THROUGH THE ENGAGE:BDR PLATFORM, THE COMPANY'S FINANCIAL RESULTS MAY BE AFFECTED.

engage:BDR's existing agreements with advertisers, agencies and platforms generally do not include long-term or exclusive commitments requiring them to use the engage:BDR's platform or to maintain any particular level of expenditure. Advertisers have generally used multiple providers to manage their advertising spend. As a result the Company needs to continue to promote its platform, increase its clients advertising spend and increase the proportion of the advertising budgets that they spend with the Company. The Company may not be successful in convincing clients to use its platform or to increase their usage of it, which may adversely affect its revenue and earnings.

If engage:BDR's clients do not maintain or increase their advertising spend through the engage:BDR platform, the Company's revenues and earnings may suffer. The Company can not guarantee that advertisers that have used the engage:BDR's platform in the past will continue to use the platform in the future or indeed that they will continue to use the platform at all. In addition engage:BDR may not be able to replace existing clients who cease to use the platform. If the Company is unable to attract sufficient advertising spend this would be likely to adversely effect the Company's revenues and earnings.

6.1.12 THE COMPANY MAY NOT BE ABLE TO COMPETE SUCCESSFULLY AGAINST COMPETITORS.

engage:BDR operates in a rapidly evolving and highly competitive market, which is subject to rapidly changing technology and client demands. engage:BDR competes primarily with companies developing solutions to automate the purchase and sale of digital video and display advertising impressions across multiple sources of inventory. The Company also competes with other companies that address certain parts of the digital video and display advertising market.

As new technologies, features and functionality are developed, the Company may become subject to additional competition. Some of the Company's competitors in the digital advertising market have greater resources and longer operating histories in the digital advertising sector than engage:BDR. These companies may in the future offer new products and services that compete with engage:BDR that could adversely effect the Company.

Increased competition may result in a reduced price being received for the Company's products and services, or a reduction in the Company's market share, which may have a negative affect on the Company's revenue and earnings. A number of competitive factors could cause the Company to lose potential sales or be required to sell its products and services at lower prices or at reduced margins, including the fact that competitors may introduce products or services that are similar to, or better than those provided by the Company' competitors could reduce the prices they charge advertisers and agencies and new companies may enter the market by expanding their platforms.

In addition, some of the Company's competitors, may have greater financial, marketing and technical resources than engage:BDR, allowing them to adopt more aggressive pricing policies and devote greater resources to the development, promotion and sale of their products and services. If any of the competitors' products or services become more widely accepted the Company's competitive position may be adversely effected.

6.1.13 ADVERTISING AGENCY CONTRACTUAL RELATIONSHIP

A proportion of the Company's revenue is sourced through advertising agencies with whom the Company has a variety of relationships. The Company, on occasions, has to pay for media inventory in advance of receiving payment from the agency as the advertising agency does not pay the Company until it has received payment from the advertiser. This payment structure requires significant working capital, which would only increase if the Company continues to expand its business.

In addition, the Company typically experiences relatively slow payment by advertising agencies. Many of the Company's contracts with advertising agencies provide that if the advertiser does not pay the agency, the agency is not liable to the Company and the Company must then request payment directly from the advertiser. Dealing with these agencies, subjects the Company to greater credit risk than when contracting with advertisers directly. This credit risk varies depending on the nature and size of the advertising agency. Any write-offs for bad debts may have a materially adverse effect on the Company's results. Even if the Company is not paid, it is often still obligated to pay for the advertising inventory that it had purchased for the advertising campaign. To mitigate this risk the Company has strict credit policies and has accounts receivable insurances.

6.1.14 THE COMPANY DEPENDS ON ADVERTISING AGENCIES AND THIS MAY ADVERSELY AFFECT ITS ABILITY TO ATTRACT AND RETAIN BUSINESS.

Many advertisers rely upon advertising agencies for the planning and purchasing of advertising. While the Company has many direct relationships with advertisers it often does not contract with them directly. In cases where the Company does not have a direct relationship with the advertiser, it sells to advertising agencies that utilise their advertising solutions on behalf of their customers.

Advertising agencies allocate advertising spend from advertisers across numerous channels and have no obligation to work with any particular company on digital video and display advertising campaigns. Accordingly, if the Company does not maintain good relationships with advertising agencies, it risks losing business from the advertisers represented by those agencies.

6.1.15 THE COMPANY'S SALES CYCLE IS UNPREDICTABLE WHICH CAN IMPACT CASH FLOWS.

The sales cycle from initial client contact to contract execution, implementation and payment, is difficult to predict. Clients sometimes go through a detailed evaluation process. This process can be time-consuming. As a result, it is difficult to predict when the Company will begin generating revenue from particular clients.

Until an agreement is executed with a client the Company has no guarantee that the substantial time and money spent on its sales efforts will generate revenue. Even if the sales efforts does result in the Company obtaining a new client the client controls when and to what extent it uses the platform. If the Company is not successful in targeting, supporting and streamlining its sales processes and if revenue expected to be generated is not realised the Company's revenues and earnings may be adversely affected

6.1.16 FUTURE GROWTH IN THE NUMBER OF CLIENTS MAY PLACE, EXCESSIVE DEMANDS ON MANAGEMENT AND INFRASTRUCTURE.

The Company's future growth may place, strain on the Company's managerial, administrative, operational, financial and other resources. The Company intends to further expand its business both in the USA and internationally There is no guarantee that the Company's business or revenue will continue to grow to offset that investment. Developing an international organisation and managing a geographically dispersed workforce will require substantial management effort and additional investment in infrastructure. To enable the planned growth the Company will be required to improve and maintain its technology, systems and infrastructure. If it can not manage that international growth effectively in the future then the rate of its international growth may be slower than anticipated and its revenues and earnings may be adversely affected.

6.1.17 SEASONAL FLUCTUATIONS IN ADVERTISING SPEND MAY IMPACT FINANCIAL RESULTS.

The Company's trading performance varies from quarter to quarter due to the extremely seasonal nature of advertising spending. Many advertisers allocate a significantly larger proportion of their advertising budgets to the pre Christmas / December quarter. If seasonal fluctuations become more pronounced the Company's, quarterly revenues, earnings and cash flows may fluctuate materially between accounting periods.

6.1.18 THIRD-PARTY SERVICE PROVIDERS OR DISRUPTION OF SERVICE COULD IMPACT ON THE COMPANY.

The Company's technical infrastructure is managed both in house and through third-party services providers. The third-party service providers have no obligation to continue to provide their services to the Company on commercially reasonable terms, or at all. If the Company was unable to renew any of its third party agreements on commercially reasonable terms, the Company may be required to use a different service provider or transfer to new facilities and it may incur significant additional costs and possible service interruption.

The facilities of third-party service providers may suffer damage or service interruption resulting from human error, natural disasters, terrorist attacks, power losses, hardware systems failures, telecommunications failures and similar events. The occurrence of a natural disaster or an act of terrorism, could result in lengthy interruptions to the Company's operations, which could damage the Company's reputation and adversely affect revenue, earnings and cash flows

Any errors, defects, disruptions or other performance problems at or related to third party facilities that affect the platform could also harm the Company's reputation.

Interruptions to the platform's performance might reduce the Company's revenue and earnings and potentially subject the Company to liability, or result in reduced usage of the platform.

The Company relies on a number of third-party Internet hosting providers and continuous and uninterrupted access to the Internet through third party providers to operate. If the Company's essential services were disrupted, it may experience disruption in its ability to offer its platform, which would be likely to adversely affect the Company's revenues and earnings and damage its reputation.

6.1.9 FUTURE GROWTH OF THE BUSINESS MAY REQUIRE IMPROVED INFRASTRUCTURE.

The Company has experienced significant growth in the number of customers, transactions and data that its infrastructure supports. The Company will need to maintain sufficient infrastructure capacity to meet the needs of all of its present and future clients. If it was unable to do so its revenues and earnings could be adversely impacted. The Company may also need to upgrade or expand its systems and architecture in order to accommodate increased demand. These costs could cause the Company's operations to be adversely impacted.

6.1.20 THE COMPANY MAY NEED TO INTRODUCE NEW FEATURES AND FUNCTIONALITY

The Company operates in a market that experiences rapidly changing technologies and industry and legal standards. The introduction of any new digital video or display advertising solutions by competitors, or the emergence of new digital video or display advertising industry standards could make the Company's existing platform obsolete or less useful in the future. The Company's ability to compete successfully and increase revenues depends on its ability to continually improve its platform and to introduce or acquire new technologies and features and functionality. The success of the implementation of any new developments depends on a number of factors, including satisfactory completion and market acceptance. Any new product or feature that the Company develops or acquires may not be introduced in a timely or cost-effective manner or may not achieve market acceptance. If the Company is unable to successfully develop or acquire new products or services to meet evolving client requirements, its revenues and earnings may be adversely affected.

6.1.21 DEFECTS IN THE PLATFORM MAY HARM THE COMPANY'S REPUTATION

The Company's technology is complex and may contain defects, which may cause disruptions in availability, or other performance problems. Any defects, disruptions in service or other performance problems with the platform may negatively impact on the success of clients advertising campaigns and thereby damage the Company's reputation. Such, defects or other performance problems with the platform, may reduce client's usage of the platform or cause clients to delay or withhold payment. Such problems could also result in customers making claims against the Company. Any material defects in the platform may have an adverse impact on the Company's revenues and earnings.

6.1.22 COMPANY IS DEPENDANT ON ITS RELATIONSHIPS WITH THIRD PARTIES.

The Company relies on its ability to maintain successfully strategic relationships with third parties. engage:BDR relies on various third parties to provide audience data and demographic reporting. and maintaining these strategic relationships is critical. Many of these relationships with third parties are non-exclusive and do not prevent the third party from working with the Company's competitors. If the Company is not able to maintain good working relationships with these third parties, its ability to compete in the market would be adversely affected and this would affect its revenues and earnings.

6.1.23 THE COMPANY IS DEPENDANT UPON ADVERTISING INVENTORY THAT IT DOES NOT OWN.

The Company's platform depends on continued access to advertising inventory controlled by publishers and various other providers. In particular it relies on continued access to premium advertising inventory in high-quality environments, viewable to consumers across multiple screens. engage:BDR does not own the inventory of advertising upon which its business depends and, therefore, it might not always have access to inventory of sufficient quality or volume to meet the needs of is clients. As a consequence, the Company's future access to inventory, especially premium advertising inventory and inventory in international markets may be restricted. Companies such as advertising networks make media buying commitments to publishers, and may compete with the Company and restrict its access to media inventory of those publishers. Companies such as advertising exchanges charge both publishers and advertisers fees and may be able to charge advertisers lower fees than the Company. In addition, many publishers sell a portion of their advertising inventory directly to advertisers, and publishers may seek to do this more in the future. If that happened, the Company's ability to provide access to inventory to its clients may be effected, which could limit the Company's ability to grow its business and its revenues and earnings would be adversely affected.

6.1.24 SECURITY BREACHES MAY CAUSE CUSTOMERS TO STOP USING THE PLATFORM.

The Company collects, stores and transmits information on behalf of advertisers. The Company's systems and networks are subject to ongoing threats and security measures may be breached as a result of cyber-attacks or other intentional misconduct by computer hackers, employee error, or otherwise. This may result in third parties obtaining unauthorised access to customers' data or Company data, including intellectual property and other confidential business information. If a breach of the Company's security occurs, the effectiveness of the Company's security measures could be questioned, which could lead to lost sales and thereby a loss of revenues and earnings.

6.1.25 FAILURE TO PROTECT THE COMPANY'S INTELLECTUAL PROPERTY RIGHTS.

The Company's ability to operate depends, in part, upon the protection of its intellectual property. The Company relies on intellectual property laws in the markets in which it operates, including trade secret, copyright, trademark and patent laws in the United States, Australia and elsewhere, and confidentiality and non-disclosure agreements, employeedisclosure and invention assignment agreements and other contractual rights to protect its intellectual property. If the Company is not able to protect its intellectual property rights or to secure intellectual property protection it may suffer loss and damage.

If the Company was unable to protect its intellectual property, competitors could use its intellectual property to market products and services similar to those of the Company and its ability to compete effectively could be impaired. Litigation to protect and enforce the Company's intellectual property rights may be expensive, time-consuming and a distraction to the Company and could result in the impairment or loss of some of the Company's intellectual property.

Effective protection of the Company's intellectual property rights may not be available in every country in which the Company's platform is available. The laws of some foreign countries may not be as protective of intellectual property rights as those in the United States or Australia, and the means of enforcement may be inadequate.

6.1.26 THE COMPANY MAY INCUR COSTS FOR INFRINGING ANOTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS.

Companies in the technology industry are increasingly bringing legal actions alleging infringement of proprietary rights, and competitors may have patents, which could effect the Company's business. In addition, in some cases the Company, has indemnified its clients against claims that the Company's platform infringes the intellectual property rights of third parties. The results of any intellectual property litigation to which we might become a party, or for which we are required to provide indemnification, may require the Company to cease using technologies that incorporate the challenged intellectual property, obtain a license, which may not be available on reasonable terms, to sell or use the relevant technology or redesign the technology. If the Company was required to make undertake any of theses actions such payments or costs could have an adverse effect upon the Company's revenues and earnings.

6.1.27 EXPANDING INTERNATIONALLY EXPOSES THE COMPANY TO NEW RISKS.

The Company currently has offices in the United States, India and Australia. As the Company expands outside the United States, its business is increasingly susceptible to risks associated with international operations. The Company has a limited operating history outside the United States and its ability to manage its business and successfully conduct its operations internationally is subject to particular challenges of managing a business in an unfamiliar foreign environment. The risks and challenges associated with international expansion include localising the platform, the need to support and integrate local advertisers, agencies and publishers, competition with service providers that have greater experience in the local markets and who have pre-existing relationships with clients in those markets, compliance with multiple, laws and regulations, including employment, tax, privacy and data protection laws and regulations, difficulties in invoicing and collecting receipts and taking enforcement action in foreign countries, difficulties in staffing and managing foreign operations and the increased travel, infrastructure and legal compliance costs associated with international operations, different protection of intellectual property rights, compliance with applicable tax laws, the complexity of such tax laws, restrictions on repatriation of earnings and regional economic and political conditions. As a result of these risks, any future international expansion undertaken by the Company may not be successful

6.1.28 CHANGED CONDITIONS IN THE GLOBAL ECONOMY COULD AFFECT OPERATING RESULTS.

The Company's revenues and earnings growth depends on the level of digital video and display advertising spend in the markets in which the Company operates. If the world economy experiences weak economic conditions advertisers may reduce their advertising budgets, and demand for the Company's products and services may be negatively affected. Historically, economic downturns have resulted in overall reductions in advertising spend which would limit the Company's ability to grow its business and may negatively affect operating results.

6.1.29 ABILITY TO ATTRACT AND RETAIN MANAGEMENT, TECHNICAL AND SALES STAFF

The Company's success to date has been due to the expertise and experience of its Directors, senior executives and key technical employees, as well as its ability to continue to attract and retain additional highly qualified management and operating personnel. The Company does not hold key man insurances on any of its Directors or employees. The Company has Executive Services Agreements with some of its key Directors and senior executives however any of its key employees, executive officers, key technical personnel and other employees could terminate their employment with the Company at any time. The Company requires skilled engineering, product and sales personnel, who are in extremely high demand and are difficult to recruit and retain. Competition to attract qualified employees is intense in the industry. The loss of key members of the Company's senior management team or other key employees, or an inability to attract, retain and motivate additional highly skilled employees required for the expansion the Company could delay or prevent the achievement of the Company's business objectives and could materially harm the Company.

The Company's ability to achieve growth in the future will depend, in part, on its success in recruiting, training and retaining sufficient numbers of sales personnel. These new employees require significant training and experience before they achieve full productivity. As a result, the cost of hiring and maintaining new sales personnel may not be covered by the revenue they generate for a significant period of time. The Company may not be able to hire or retain sufficient numbers of qualified individuals.

6.1.30 IF THE USE OF TRACKING TECHNOLOGIES IS RESTRICTED OR OTHERWISE SUBJECT TO CONDITIONS THE COMPANY'S PERFORMANCE MAY BE AFFECTED.

The Company uses various tracking technologies to monitor campaigns and to report aggregate information to clients regarding the performance of their advertising campaigns and to detect and prevent fraudulent activity. The Company also uses data to help the Company decide whether to bid on, and how to price, an opportunity to place an advertisement in a certain location, at a given time, in front of a particular internet user. If the Company's access to tracking technologies was reduced or adversely affected, its ability to conduct its business in the current manner may be affected and thereby undermine the perceived effectiveness of the platform.

Internet users can block and/or delete cookies. The most commonly used Internet browsers including Firefox, Internet Explorer, Chrome and Safari already allow Internet users to modify their browser settings to prevent cookies from being accepted by their browsers, or are set to block third-party cookies. If more Internet users adopt these settings more frequently than they currently do, the Company's business could be adversely affected.

6.1.31 NEW LEGISLATION AND REGULATION OF DIGITAL BUSINESSES COULD CREATE UNEXPECTED COSTS, SUBJECT COMPANY'S TO ENFORCEMENT ACTIONS OR RESTRICT PARTS OF THE BUSINESS OR NECESSITATE CHANGES IN THE TECHNOLOGY PLATFORM OR BUSINESS MODEL.

New government regulation may increase the costs of doing business online. Policies, and regulations governing privacy, data security, technologies that are used to collect, store and/or process data, video advertising online, the use of data to inform advertising, the taxation of products and services, and the collection of information, use, processing, transfer, storage and/or disclosure of data associated with individual Internet users could affect the cost of doing business.

Existing laws may, in the future be revised, or new laws may be passed, to impose more stringent requirements on the use of identifiers to collect user information, including information of the type that the Company collects. Changes in regulations could affect the type of data that the Company may collect, restrict its ability to use identifiers to collect information, and, thereby affect the Company's ability to collect data, the costs of doing business online, and affect demand for the Company's platform and the ability to expand or operate the business. Some of the Company's activities may also be subject to the laws of foreign jurisdictions, whether or not the Company operates in those jurisdictions.

6.1.32 REVENUES MAY BE AFFECTED IF REQUIRED TO CHARGE TAXES FOR USE OF THE PLATFORM.

Various jurisdictions may seek to impose sales or other tax collection obligations on the Company in the future, or jurisdictions in which the Company already pays tax may increase the amount of taxes the Company is required to pay. A requirement in any jurisdiction in which the Company operates that it should collect sales or other taxes on the revenue of the platform could, create significant administrative burdens, result in substantial tax liabilities for past sales, discourage clients from using the platform or otherwise harm the business and results from operations.

6.1.33 INDUSTRY FORECASTS OF MARKET GROWTH MAY PROVE TO BE INACCURATE

Industry growth forecasts are subject to significant uncertainty and are based on assumptions and estimates made by various "industry experts" and organisations, which may not prove to be inaccurate. Forecasts relating to the expected growth in digital video and display advertising and other sectors of the market in which the Company operates may prove to be inaccurate and should not be relied upon.

6.1.34 THE COMPANY MAY REQUIRE ADDITIONAL CAPITAL TO SUPPORT ITS GROWTH AND THIS CAPITAL MAY NOT BE AVAILABLE ON ACCEPTABLE TERMS OR AT ALL.

The Company intends to continue to invest to support its growth and may require additional funds to respond to business challenges, including keeping up to date with technological developments in order to remain competitive, improving operating infrastructure or acquiring complementary businesses and technologies. In addition, the Company sometimes pays for media inventory purchased through its platform in advance of receiving payment from client's as the advertising agency often does not pay the Company for use of its platform until it has received payment from the advertiser. This payment process requires substantial working capital and the effect on the Company's cash flows may become more pronounced if the Company continues to grow its business as anticipated. As a result, the Company may need to undertake additional equity raisings or debt financings to secure required additional funds. If he Company raises additional funds through further issues of shares or convertible debt securities, existing shareholders may suffer dilution, and any new shares issued may have rights, preferences and privileges attached that are superior to those of current shareholders. Any debt financing secured by the Company in the future may involve restrictive covenants relating to further capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions in the future. In addition, the Company may not be able to obtain additional financing on terms favourable to the Company, if at all. If the Company was unable to obtain adequate financing or financing on terms satisfactory to it, when it required it, its ability to continue to support its business growth, and to respond to business challenges could be impaired.

6.1.35 THE COMPANY MAY PURSUE ACQUISITIONS OF WHICH COULD DISTRACT MANAGEMENT, RESULT IN DILUTION TO EXISTING SHAREHOLDERS OR DISRUPT OPERATIONS.

The Company may decide to pursue acquisitions of businesses and technologies that it believes could complement or expand its operations, enhance its technical capabilities or otherwise offer growth opportunities. The pursuit of potential acquisitions may divert the attention of management and cause the Company to incur expenses in identifying, investigating and pursuing those acquisitions, whether or not they are consummated. If the Company acquires businesses or technologies, it may not be able to integrate the acquired personnel, operations and technologies successfully, or effectively manage the combined business following the acquisition. It may also not achieve the anticipated benefits from the acquired business due to a number of factors,

In addition, a portion of the purchase price of companies may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment annually. In the future, if the acquisitions do not yield the expected returns, the Company may be required to take charges to its operating results based on this impairment assessment process, which could adversely affect its results of operations.

Acquisitions could also be dilutive or involve the incurring of debt, which may adversely affect operating results. In addition, if an acquired business fails to meet expectations, the Company's operating results and business may suffer.

6.1.36 THE COMPANY WILL INCUR INCREASED COSTS AND REQUIRE ADDITIONAL MANAGEMENT AS A RESULT OF BEING A PUBLIC COMPANY.

As a public company listed on the ASX, the Company will incur additional legal, accounting and other expenses that it did not incur as a private company.

The Company will be subject to applicable Australian Corporations laws and ASX reporting requirements as a result of its operating in Australia and being listed on ASX. The Company anticipates that compliance with these requirements will increase its legal and financial compliance costs and will make some activities more time consuming and costly. The Company's management team has limited experience managing a publicly listed company and limited experience complying with the increasingly complex laws pertaining to public companies. The Company's management team may not successfully or efficiently manage its transition to being a public company that will be subject to significant regulatory oversight and reporting obligations under the federal securities laws of Australia. In addition, the Company expects that its management and other personnel will need to divert attention from operational and other business matters to devote some time to these public company requirements. The Company may need to engage additional management, accounting and financial staff with appropriate public company experience and technical accounting knowledge and will need to establish an internal audit function.

GENERAL SHARE MARKET RISKS

6.1.37 EXCHANGE RATES AND CURRENCY FLUCTUATIONS

A substantial proportion of the funds raised under this Prospectus are proposed to be converted into US Dollars following allotment of the Shares for the purposes of investment in the Company's business operations in the USA and potential future acquisitions and business opportunities in the USA, Australia and elsewhere.

It is not the current policy of the Company to hedge the foreign exchange exposure of having a majority of the Company's business and investments denominated in US Dollars. Any significant change in the exchange rate between the USA Dollar and the Australian Dollar would therefore be expected to have a direct effect on the Company and its share price. In particular, a strengthening of the Australian Dollar against the US Dollar may adversely affect the value expressed in Australian Dollars of the Company's business and investments.

The Company purchases advertising inventory in local currencies and incurs a portion of its operating expenses in the currencies of the countries in which it operates. The Company has exposure to adverse movements in currency exchange rates, which may cause its revenue and operating results to differ from expectations. A fluctuation in the U.S. dollar relative to foreign currencies would increase or decrease its non-U.S. revenue when translated into U.S. dollars. As exchange rates vary, revenue, cost of revenue, operating expenses and other operating results, when translated, may differ materially from expectations. In addition, the Company's operating results are subject to fluctuation if the composition of U.S. and foreign currency denominated transactions or expenses changes in the future because the Company does not currently hedge its foreign currency exposure.

The Company's financial reports will be denominated in Australian dollars. Because of timing differences between occurrences of events and reporting, where there is an intervening appreciation of the US Dollar against the Australian Dollar, the reported value of receipts wholly within the USA or the value of assets in the USA may be reduced despite the receipt or asset remaining in the USA and the value in the USA remaining the same. Assets recorded in the Company's statement of financial position and revenue reported in its statement of profit or loss and other comprehensive income may not reflect the performance of the Company in the USA.

The value of the business and its investments as an asset of the Company may be affected by fluctuations in the exchange rate for Australian Dollars and US Dollars. This may be the case even where there has not been a change in the value or performance of the underlying assets.
Transfers of funds between Australia and the USA may also be affected by exchange rates. Appreciation of the US Dollar against the Australian Dollar would decrease the amount (in Australian Dollars) received upon repatriation of funds from the USA to Australia if that were to occur.

6.1.38 LIQUIDITY RISK

The Company's shares will be traded on the ASX. The ability of Shareholders to sell their Shares on the ASX will be dependent on the turnover or liquidity of the Shares of the Company at that time. Liquidity of the Shares will be affected by a wide variety of factors including the size of the Company and the investment intentions of the Company's existing and prospective Shareholders at that time. Given the nature of the Company, if the Company is only able to achieve the Minimum Subscription, it is possible that there will be a low level of liquidity in trading of the Shares.

In the event that a Shareholder wished to dispose of their investment in the Company, this can be achieved through a sale on the ASX. However the Directors can give no assurance that there will be sufficient liquidity in the trading of the Shares nor whether the price of Shares will reflect the underlying value of the Company. The price at which the Company's Shares trade on ASX may be below the true value of the Shares.

Regulatory changes which affect the market for shares of Australian listed companies in general may affect the market for the Company's securities, or may increase the costs faced by the Company and the Company's ability to carry out its operations, which may be detrimental to the market for the Company's shares or investor sentiment to shares on the ASX generally.

6.1.39 REGULATORY RISK

Changes in government financial regulations and policies in the USA or Australia and other countries in which the Company operates, may adversely affect the ability of the Company to carry on its proposed activities, restrict the Company in achieving its objectives or may result in increased compliance costs or complexity in managing the Company and accordingly may adversely affect the financial performance of the Company.

The USA or Australia may change its foreign investment, exchange, regulatory and/or tax regimes in a manner which is adverse to USA, Australian or other foreign investors and which may prevent the transfer of Australia in an economic and timely manner or at all.

The Australian digital advertising and media industry is not as developed as in the USA and there may be some lack of understanding of the sector or industry trends in Australia that may effect demand for the Company's shares and therefore the liquidity of the Company's shares.

Whilst many of the institutional, regulatory and economic institutions and concepts in the USA are comparable or similar to those with which Australians are familiar, they are not identical and foreigners including the management of the Company and its advisers may not be aware of differences which may affect investments. Foreign investors may not appreciate the influence or effect of events within or affecting Australia.

Additionally, the Company is subject to a range of regulatory controls imposed by government (federal and state) and regulatory authorities (for example ASX and ASIC). The relevant regulatory regimes are complex and are subject to change over time.

The Company is exposed to the risk of changes to laws and/or interpretation of laws relevant to its operations in the USA, Australia and other countries in which the Company operates, which may have a negative impact on the Company, its investments and/or returns to Shareholders. Non-compliance with laws may also expose the Company to financial penalties.

6.1.40 FOREIGN INVESTMENT

There is a risk that by virtue of the Company trading in multiple jurisdictions it may achieve a return that is less than would be the case if the Company was operating in only one jurisdiction.

6.1.41 SOVEREIGN RISK, TRANS-BORDER DEALINGS AND TIMELY COMMUNICATION

The USA and Australia are involved in various international conflicts and disputes with other countries and have in the past suffered from terrorism and political violence. The USA and Australia have strict international investment policy, which may limit the ability of the Company to invest or operate in some countries.

In the event of a loss in the USA, the costs of seeking a remedy or compensation for that loss would be likely to be greater because of the need to bring an action in Courts or Tribunals in the USA. Also, the dispute resolution or court processes of the USA may not be as readily accessible to the Company as their Australian equivalents.

Management of the Company will be dependent upon international communications, including those between the Company and the Directors and executives on behalf of the Company in the USA and Australia. A temporary interruption to communications may result in opportunities being missed, which may include making advantageous investments or avoiding losses, information not being available which may result in actions not being able to be taken until the information has been updated. Similarly, there may be delays in the preparation, dispatch or receipt of reports. Temporary interruptions may arise from problems in communication systems (for example, loss of long distance communications due to physical or technical interruptions) or the loss of individual communications (for example, emails or other communications not being received).

6.1.42 TAXATION

Changes in government fiscal policies in Australia or the USA including the imposition of new or additional taxes and the redefining of current tax terminology, may adversely affect the financial performance of the Company.

There is potential for double taxation in USA and Australia, if requirements for relief from double taxation cannot be met. The cash flow effect of timing of payment of tax (such as withholding taxes) and relief, where applicable and/or available, may also affect the ability of the Company to operate in the USA or to repatriate funds to Australia in a timely or efficient manner.

USA and Australian legislative and taxation authorities have previously amended tax legislation and rules retrospectively. Retrospective amendments to tax legislation and rules relating to the Company's activities may result in additional tax burdens or a requirement to make payments, which were not known or considered to be required when transactions were entered into. Depending on the timing of changes, this may retrospectively affect results for periods prior to the change, or require payments to be funded in periods subsequent to the transactions.

6.1.43 DIVIDEND RISK

The ability of the Company to pay fully or partly franked dividends is contingent on it making taxable profits. The Company's taxable profits may be volatile due to a number of factors including operational performance, poor acquisition decisions made by the Company or general economic conditions, making the reliable forecasting, payment and franking of dividends difficult to predict.

No guarantee can be given as to the future earnings of the Company, the earnings and capital appreciation of the Company's Shares or the return of the capital invested by Shareholders.

6.1.44 FUTURE CAPITAL REQUIREMENTS OF THE COMPANY

There can be no assurance that the Company will not need to raise additional capital to fully exploit business opportunities available to it, or that the Company will be able to raise additional capital on favourable terms, or at all.

If the Company is unable to obtain additional capital, the Company may be required to reduce the scope of its activities or forgo an acquisition opportunity, which could adversely affect its business and ultimately the return to Shareholders.

6.1.45 SHARE INVESTMENT

The price of the Company's securities on ASX will be influenced by the general outlook for the Australian, USA and world economy

Investors should recognise that the price of the Shares may fall as well as rise.

The Shares offered under this Prospectus carry no guarantee in respect of profitability, dividends, return on capital or the price at which they may be traded on ASX. If an investor sells the Shares, the amount received may be higher or lower than the amount originally invested. Many factors will affect the price of the Shares, including local and international stock markets, movements in interest rates, economic conditions and investor sentiment. An investment in the Company should be considered to be subject to a higher risk of share market fluctuation than large companies.

Factors such as, but not limited to, political movements, stock market trends, changing customer preferences, interest rates, inflation levels, industrial disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes, may have an adverse impact on the Company's operating costs, returns and share price. These factors are beyond the control of the Company and the Company cannot, to any degree of certainty, predict how they will impact on the Company.

6.1.46 WAR AND TERRORIST ATTACKS

War or terrorist attacks anywhere in the world could result in a decline in general economic and market conditions worldwide or in a particular region. There could also be a resultant material adverse effect on the business, financial condition and financial performance of the Company.
The above factors, and others not specifically referred to, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

After reading this Prospectus, you should contact your Lead Manager, accountant or independent financial adviser prior to making an investment in the Company.

7 FINANCIAL INFORMATION

FINANCIAL INFORMATION

7.1 INTRODUCTION

The Company was incorporated on 17 August 2017 and entered into a Share Sale and Purchase Agreement with engage:BDR LLC and will therefore become the holding company of engage:BDR LLC. The Company has agreed (subject to the conditions precedent below) to acquire all of the issued shares of engage:BDR LLC from the current engage:BDR LLC shareholders via the issue of 199,699,858 shares at a deemed price of $0.20. Terms are further detailed in Section 9.1.1. Material conditions for the completion of this sale are:

- engage:BDR LLC procuring the sale and transfer of all of its shares held by its existing shareholders to the Company.
- The Company receiving approval from the ASX for admission to the ASX.
- The Company obtaining all necessary approvals from ASX, ASIC, and other necessary regulatory authorities.
- The Company raising the minimum subscription amount under the Offer.

The acquisition of engage:BDR LLC by the Company is not considered to be a business combination and does not result in any change of economic substance. Accordingly, following the acquisition, the consolidated financial information of the Company will represent a continuation of the business and operations of engage:BDR LLC and the pro forma historical financial information presents the financial position of the Company as if the acquisition had occurred as at 31 December 2016.

The financial information contained in Section 7 has been prepared by the Company in connection with the Offer. As the Company was recently established, it has no historical financial information of its own which would be relevant to investors. Therefore, the historical financial information described below presents the financial performance, cash flows and financial position of engage:BDR LLC.

The financial information in this Section 7 comprises the:

- historical financial information for engage:BDR LLC, being the:
  - Historical income statements of engage:BDR LLC for the years ended 31 December 2014 and 2015 and the historical consolidated income statement of engage:BDR LLC for the year ended 31 December 2016 (the "**Historical Income Statements**");
  - Historical cash flows of engage:BDR LLC for the years ended 31 December 2014 and 2015 and the historical consolidated cash flows for engage:BDR LLC for the year ended 31 December 2016 (the "**Historical Cash Flows**"); and
  - Historical consolidated statement of financial position of engage:BDR LLC as at 31 December 2016 (the "**Historical Statement of Financial Position**").

  (together, the "**Historical Financial Information**").

- pro forma historical financial information of the Company, being the:
  - pro forma historical consolidated statement of financial position of the Company as at 31 December 2016 based on a minimum capital raising of $4,000,000; and
  - pro forma historical consolidated statement of financial position of the Company as at 31 December 2016 based on a maximum capital raising of $6,000,000.

  (together, the "**Pro Forma Historical Financial Information**" or the "**Pro Forma Historical Statements of Financial Position**").

The Historical Financial Information and the Pro Forma Historical Financial Information together form the **Financial Information**.

The Company has a 31 December financial year end. As such, any references in this section to fiscal year, or "FY", coincide and refer to a calendar year.

The Financial Information, as defined above, has been reviewed by Ernst & Young in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and or Prospective Financial Information as stated in its Independent Limited Assurance Report contained in Section 8. Investors should note the scope and limitations of this report.

The information in Section 7 should also be read in conjunction with the risk factors set out in Section 6, the summary of significant accounting policies in Section 7.7 and other information contained in this Prospectus.

All amounts disclosed in Section 7 are presented in Australian dollars. For further information on the functional and presentation currency of the Company refer to Section 7.7.3.

7.2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL INFORMATION

7.2.1 OVERVIEW

The directors of the Company are responsible for the preparation and presentation of the Financial Information.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them with understanding the historical financial performance, cash flows and financial position of engage:BDR LLC and the pro forma historical financial position of the Company.

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles of International Financial

Reporting Standards (IFRS) and interpretations as issued by the International Accounting Standards Board (IASB).

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles of IFRS and interpretations as issued by the IASB, other than it includes certain adjustments which have been prepared in a manner consistent with IFRS, that reflect the impact of certain transactions as if they had occurred as at 31 December 2016.

Section 7.7 provides a summary of the significant accounting policies relevant to the Financial Information, including the Company's critical accounting estimates and judgements.

The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information required by IFRS and other mandatory professional reporting requirements applicable to general purpose financial reports.

7.2.2 PREPARATION OF FINANCIAL INFORMATION

As outlined in Section 7.1, the Company was incorporated on 17 August 2017 and entered into a Share Sale and Purchase Agreement with engage:BDR LLC. As the Company was recently established, it has no historical financial information of its own which would be relevant to investors. Consequently, the Historical Financial Information presented in this Prospectus relates to engage:BDR LLC.

The Historical Financial Information of engage:BDR LLC has been derived from its general purpose financial reports for the years ended 31 December 2015 (which includes comparative financial information for 31 December 2014) and 31 December 2016. These financial statements were audited by Ernst & Young in accordance with Australian Auditing Standards. Ernst & Young issued an unmodified audit opinion on the 2015 financial statements, which included an emphasis of matter on going concern, and an unmodified audit opinion on the 2016 financial statements, which included a material uncertainty on the ability of engage:BDR LLC to continue as a going concern. Further information in relation to going concern is provided in section 7.2.4 below. engage:BDR LLCs financial statements for FY2015 and FY2016 are available at www.engagebdrshareoffer.com.au.

The Pro Forma Historical Financial Information has been prepared solely for the purpose of inclusion in this Prospectus. The Pro Forma Historical Financial Information of the Company has been derived from the historical consolidated statement of financial position of engage:BDR LLC as at 31 December 2016, adjusted for the effects of the pro forma transactions described below.

Pro Forma adjustments have been made to the historical consolidated statement of financial position of engage:BDR LLC as at 31 December 2016 to reflect the Company's financial position following completion of the Offer, being the proceeds, net of costs associated with the Offer, on the basis of a minimum and maximum capital raise as if it had occurred as at 31 December 2016.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

Investors should note that past results are not a guarantee of future performance.

7.2.3 TIVEO LLC ACQUISITION

On 16 August 2016, engage:BDR LLC acquired 100% of the shares of Tiveo LLC, (Tiveo), a private company incorporated on 29 December 2014 and based in the United States of America, by issuing 8,550,000 of engage:BDR LLC common shares. Tiveo operates a talent discovery platform, which focuses on collaborations and connections between artists, music lovers, music industry professionals, artists and repertoire (A&R), talent scouts and brands. Tiveo's platform enables users to find, book and connect with local talent worldwide, and artists to engage with each other and their communities.

The acquisition of Tiveo was treated as a business combination under IFRS 3 Business Combinations. The results of Tiveo have been consolidated and reported in the 2016 results of engage:BDR LLC from the date of acquisition.

Tiveo contributed revenue of $1,345, and a loss before tax from continuing operations of $394,959 to the engage:BDR LLC results for the period from acquisition date to 31 December 2016. If the business combination had taken place at the beginning of the 31 December 2016 year, Tiveo's contribution to revenue from continuing operations would have been $48,436, and a loss before tax from continuing operations would have been $769,512. The financial results of Tiveo from acquisition date have been included in the general purpose financial statements of engage:BDR LLC for the year ended 31 December 2016. Tiveo operated as part of the engage:BDR LLC business post acquisition and therefore, no stand-alone financial statements of Tiveo has been prepared for the year ended 31 December 2016. General purpose financial statements of Tiveo LLC for the year ended 31 December 2015 are available at www.engagebdrshareoffer.com.au.

As part of the contribution agreement, the majority members of Tiveo were granted an ASX Listing put right ("put right") which could be exercised if engage:BDR LLC shares had not been listed for trading on the ASX within a specified listing deadline. Upon exercising the put right, the majority members would return the engage:BDR LLC shares and require engage:BDR LLC to deliver to the majority members the Tiveo units acquired and ensure that Tiveo has a minimum amount of cash equal to $4,165,800 (US$3,000,000) plus interest. engage:BDR would then lose control of Tiveo from the date the put right was exercisable and therefore Tiveo would be de-consolidated from this date. The put right of the Tiveo LLC members is due to expire on 15 September 2017 and they will then have no further rights to exercise their put right. As at the date of the Prospecuts engage:BDR LLC had not received notification that Tiveo LLC members intended to exercise their put right. This put right resulted in the fair value of engage:BDR LLC shares issued as consideration being recorded as a liability at 31 December 2016 (as opposed to equity). Refer to Note 26 of the 31 December 2016 general purpose financial statements of engage:BDR LLC for further information.

7.2.4 GOING CONCERN

The Financial Information has been prepared on a going concern basis, which assumes continuity of the Company's and engage:BDR LLC's normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Historical Statement of Financial Position of engage:BDR LLC reflects historical consolidated net liabilities of $8,624,548 (pre-Offer) as at 31 December 2016. The directors of the Company believe that the current cash resources will not be sufficient to fund operating activities and the execution of the Company's and engage:BDR LLC's principal activities and strategy.

Following completion of the Offer, the Company expects to be in a pro forma historical consolidated net asset position of $3,002,849 based on the minimum capital raise and $4,880,849 based on the maximum capital raise, and a net current liability position of $4,644,817 and $2,766,817 based on a minimum and maximum capital raise, respectively.

As detailed in Section 7.2.3 above, in the event that the Company does not perform its ASX listing by a specified date, the Majority Members of Tiveo may exercise the put right granted to them and in so doing will cause engage:BDR LLC to lose control of Tiveo and require it to return Tiveo to the Majority Members inclusive of $4,165,800 (USD 3,000,000) plus interest. At the date of this Prospectus, the directors of the Company had not received notification whether the put right would be exercised by the Majority Members of Tiveo. The right to exercise the put option expires on 15 September 2017.

Following completion of the Offer and listing of the Company, with the lapse of the Tiveo put rights, the directors of the Company consider the going concern basis to be appropriate giving consideration to:
(a) Forecast operating cash flows anticipated to be generated, including the ability to exercise control over discretionary operational outflows;
(b) engage:BDR LLC's ability to further draw up to $6,873,570 under its existing convertible note facilities subject to lender approval (refer note 17(b)(i) of the engage:BDR LLC 31 December 2016 general purpose financial statements); and
(c) potential realisation of engage:BDR LLC's equity holdings in LottoGopher Holdings Inc (as detailed in Note 30 of the engage:BDR LLC 31 December 2016 general purpose financial statements).

In light of the above factors, there is a material uncertainty whether the Company will be able to continue as a going concern and therefore, whether it will be able to pay its debts as and when they become due and payable and to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the Historical and Pro Forma Historical Statements of Financial Position.

The Historical and Pro Forma Historical Statements of Financial Position do not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should engage:BDR LLC and the Company not continue as a going concern.

7.2.5 EXPLANATION OF CERTAIN NON-IFRS FINANCIAL MEASURES

The Company uses certain measures in this Prospectus that are not recognised and measured in accordance with the requirements of IFRS. These measures are collectively referred in this Section 7 and under Regulatory Guide 230 Disclosing Non-IFRS Financial Information published by ASIC as "non-IFRS financial measures". The Company believes that this non-IFRS financial information provides useful information to readers in measuring the financial performance of the Company. The principal non-IFRS financial measures that are referred to in this Prospectus are as follows:

- Gross profit is revenue after deducting cost of sales.
- Gross Profit Margin which is gross profit expressed as a percentage of total revenue.
- EBITDA is earnings or loss before interest (net of finance income), taxation, depreciation and amortisation. EBITDA may represent positive or negative earnings. Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation, amortisation and before interest (net of finance income) and taxation. EBITDA can be useful to help understand the operating cash generation potential of the business. EBITDA is not to be considered as an alternative to measures of cash flow under IFRS and investors should not consider EBITDA in isolation from, or as a substitute for, an analysis of the results of the Company's operations.
- EBIT is earnings or loss before interest (net of finance income) and taxation.

Although the directors believe that these measures provide useful information about the Company's or engage:BDR LLC's financial performance, they should be considered as supplements to the income statement measures that have been presented in accordance with IFRS and not as a replacement for them. Because these non-IFRS financial measures are not based on IFRS, they do not have standard definitions, and the way that the Company calculates these measures may differ from similarly titled measures used by other companies. Investors and readers of this Prospectus should therefore not place undue reliance on these non-IFRS financial measures.

7.2.6 SEGMENT REPORTING

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision makers, who provide the strategic direction and management oversight of the Company in terms of monitoring results and approving strategic planning for the business.

Given that the internal reporting provided is not disaggregated in a way that identifies any unique reportable segments, the Company has effectively assessed its operations as comprising of only one operating and reportable segment.

7.3 HISTORICAL INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER	NOTES	HISTORICAL		
		2014	2015	2016
Revenue		28,537,625	36,919,027	21,845,216
Cost of sales		(17,131,022)	(25,974,830)	(12,981,251)
Gross profit		11,406,603	10,944,197	8,863,965
Employee and contractor costs		(6,884,519)	(7,953,974)	(5,953,094)
Operations and administration		(3,562,653)	(4,881,731)	(4,235,029)
Advertising and marketing		(425,430)	(589,045)	(317,526)
Total operating expenses		(10,872,602)	(13,424,750)	(10,505,649)
Other income		18,046	166,590	185,724
Other expenses		(5,031)	(177,049)	-
EBITDA - earnings/(loss)		547,016	(2,491,012)	(1,455,960)
Depreciation and amortization		(368,835)	(811,820)	(1,471,767)
EBIT - earnings/(loss)		178,181	(3,302,832)	(2,927,727)
Finance costs	1	(28,999)	(360,466)	(743,007)
Net profit/(loss) before tax		149,182	(3,663,298)	(3,670,734)
Income tax (expense)/benefit		33,594	(1,197)	(1,075)
Net profit/(loss) after tax		182,776	(3,664,495)	(3,671,809)

1. As the convertible notes will be converted into ordinary shares as a result of the Offer, the interest expense of $23,512 in 2016 relating to these notes will no longer be incurred post Offer, refer Section 7.4 for more information.

FINANCIAL INFORMATION

7.4 HISTORICAL AND PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016	NOTES	HISTORICAL	IMPACT OF TIVEO PUT RIGHT AND CONVERTIBLE NOTES	IMPACT OF THE OFFER	PRO FORMA HISTORICAL	IMPACT OF THE OFFER	PRO FORMA HISTORICAL
				MINIMUM		MAXIMUM	
CURRENT ASSETS							
Cash and cash receivables	1	986,603	–	3,536,000	4,522,603	5,414,000	6,400,603
Trade and other receivables		6,697,104	–	–	6,697,104	–	6,697,104
Prepaid expenses		442,944	–	–	442,944	–	442,944
Total current asstes		**8,126,651**		**3,536,000**	**11,662,651**	**5,414,000**	**13,540,651**
NON-CURRENT ASSETS							
Property, plant and equipment		1,354,117	–	–	1,354,117	–	1,354,117
Intangible assets		5,431,473	–	–	5,431,473	–	5,431,473
Related party loan	2	2,812,334	–	–	2,812,334	–	2,812,334
Total non-current assets		**9,597,924**	**-**	**-**	**9,597,924**	**-**	**9,597,924**
Total assets		**17,724,575**		**3,536,000**	**21,260,575**	**5,414,000**	**23,138,575**
CURRENT LIABILITIES							
Trade and other payables	4	12,600,927	(23,512)	–	12,577,415	–	12,577,415
Employee benefit liabilities		92,675	–	–	92,675	–	92,675
Borrowings		3,637,378	–	–	3,637,378	–	3,637,378
Other financial liability	3	7,533,155	(7,533,155)	–	–	–	–
Total current liabilities		**23,864,135**	**(7,556,667)**	**-**	**16,307,468**	**-**	**16,307,468**
NON-CURRENT LIABILTIES							
Non-current borrowings	4	2,322,802	(534,730)	–	1,788,072	–	1,788,072
Non-current payables		162,186	–	–	162,186	–	162,186
Total non-current liabilities		**2,484,988**	**(534,730)**	**-**	**1,950,258**	**-**	**1,950,258**
Total liabilities		**26,349,123**	**(8,091,397)**	**-**	**18,257,726**	**-**	**18,257,726**
Net (liabilities)/ assets		**(8,624,548)**	**8,091,397**	**3,536,000**	**3,002,849**	**5,414,000**	**4,880,849**
EQUITY							
Issued capital	1, 3, 4, 5	1,178	8,067,885	3,207,446	11,276,509	5,061,934	13,130,997
Share based payment reserve	5	–	–	328,554	328,554	328,554	328,554
Foreign currency translation reserve		(474,032)	–	–	(474,032)	–	(474,032)
Accumulated losses	4	(8,151,694)	23,512	–	(8,128,182)	23,512	(8,104,670)
Total equity		**(8,624,548)**	**8,091,397**	**3,536,000**	**3,002,849**	**5,414,000**	**4,880,849**

1. Based on a minimum capital raising, cash increases by $3,536,000 due to Offer proceeds of $4,000,000 which is offset by Offer costs of

$464,000. Based on a maximum capital raising, cash increases by $5,414,000 due to Offer proceeds of $6,000,000 which is offset by Offer costs of $586,000. Refer to Section 9.6 for further detail on Costs of the Offer. The increase in issued capital is further offset by $328,554 share based payment to the Lead Manager in relation to the Offer. See Note 5 below.

2. Represents loans to key management personnel, being Ted Dhanik, Kurtis Rintala, and Kenneth Kwan. Refer to the general purpose financial statements of engage:BDR LLC for the years ended 31 December 2015 and 2016 for further information.

3. Relates to the put right entered into as part of the Tiveo acquisition. Other financial liability recognised at 31 December 2016 automatically converts to equity as a result of the Offer. Refer to Section 7.2.3 for further information.

4. Relates to the fair value of the convertible note option. All of the convertible notes will be reclassified as equity following the successful completion of the Offer. This also results in an adjustment of interest costs of $23,512 accrued as at 31 December 2016 for these convertible notes. Refer to 7.7.19 (iv) for further information.

5. As outlined in Section 9.1.2, the Lead Manager will receive 5,000,000 options as part of the Offer. These options are to be issued on the same terms as all of the other Options to be offered under the Prospectus. The term of the Options is to be 36 months and the Options are exercisable at $0.25 per option. These options are considered to be share based payments and have been valued by reference to the fair value of the Options based on the Black Scholes model. Refer to Section 7.7.19 (v) for key assumptions used to value the Options. The Options are considered as a cost relating to a capital raising and as such, reduce the issued capital balance.

7.5 HISTORICAL CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER	NOTES	2014	2015	2016
Net profit/(Loss)		182,776	(3,664,495)	(3,671,809)
Movement in net working capital		2,682,716	4,091,314	357,688
Other non-cash movements		339,836	525,408	603,371
Net cash flow from/(used in) operations		3,205,328	952,227	(2,710,750)
Capitalised software development		(759,643)	(957,875)	(1,401,592)
Other investing expenditures		(212,234)	(1,407,328)	3,047,170
Net cash from/(used in) investing activities		(971,877)	(2,365,203)	1,645,578
Proceeds/(repayment of) borrowings		(149,160)	(159,339)	96,091
Net cash from financing activities		(149,160)	(159,339)	96,091
Net cash flow		**2,084,291**	**(1,572,315)**	**(969,079)**

7.6 DISCUSSION AND ANALYSIS OF THE HISTORICAL FINANCIAL INFORMATION

7.6.1 GENERAL FACTORS AFFECTING THE OPERATING RESULTS OF ENGAGE:BDR LLC

The following section discusses the key factors affecting engage:BDR LLC's operating and financial performance in 2014, 2015 and 2016.

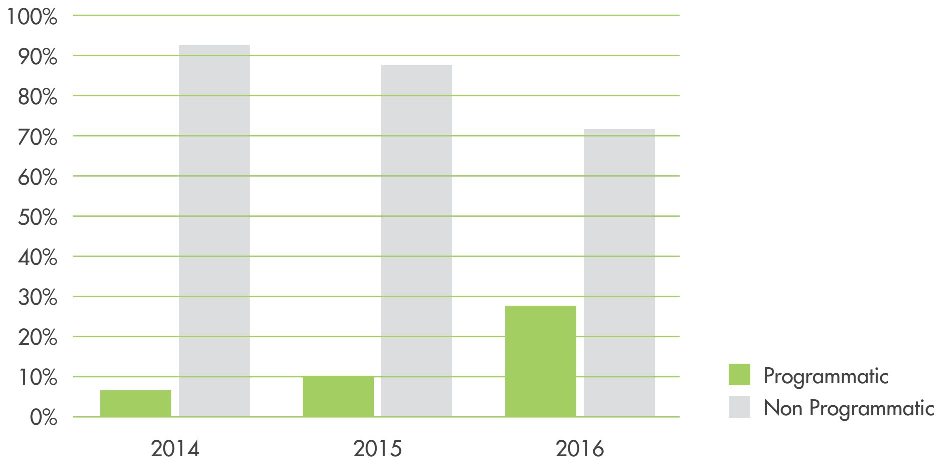
It should be noted that the following discussion is intended to provide a brief summary only and does not detail all factors that affected engage:BDR LLC's historical operating and financial performance, or everything that may affect the Company's operations and financial performance in the future.

7.6.2 REVENUES AND COST OF SALES

engage:BDR LLC earns revenue through the sale of ad space on websites predominantly through its programmatic, or software automated, platform. Cost of sales comprises the cost of ad space. Starting in 2015 and throughout 2016, there were significant changes in the industry, mainly the push into programmatic buying, the revenue mix and the related cost of sales changed accordingly.

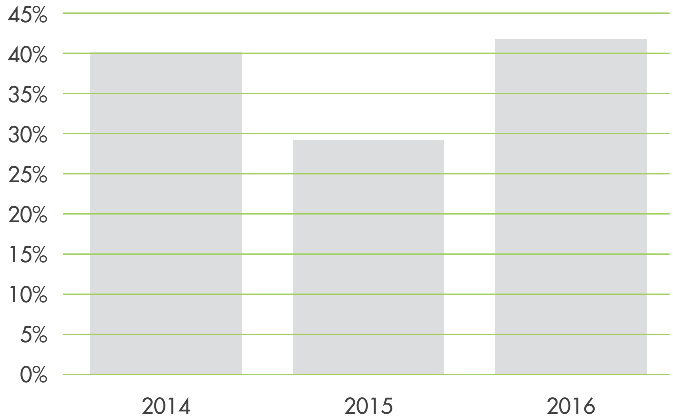
PROGRAMMATIC SALES AS A PERCENTAGE OF REVENUE

FINANCIAL INFORMATION



Previously, engage:BDR LLC followed a traditional ad selling model of manually negotiating the cost of ad space with publishers and pricing ad space with clients. With the shift to programmatic, gross profit margin grew in importance in gauging engage:BDR LLC's performance. Despite the decline in revenue, the overall gross profit (GP) margin dramatically improved in 2016 (40.6%) over 2015 (29.6%) and was on par with 2014 (40.0%) as a result of the shift toward programmatic sales.

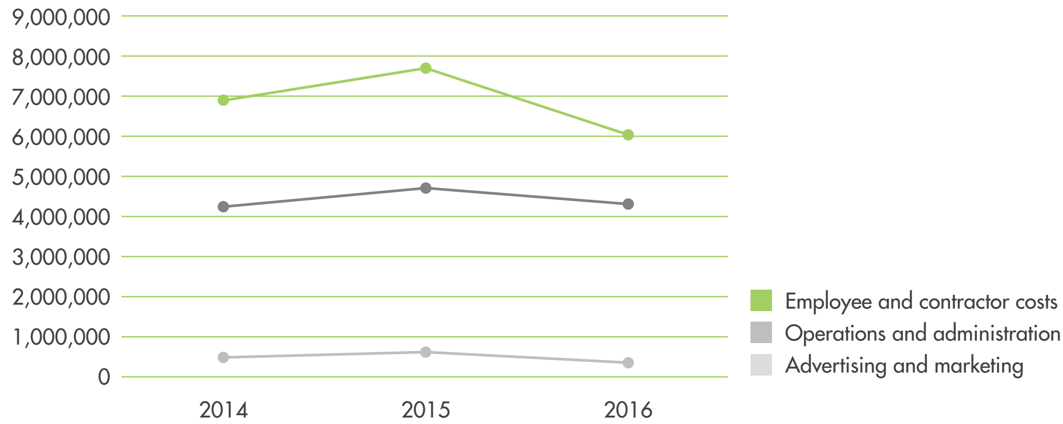
GROSS PROFIT MARGIN BY YEAR



7.6.3 EXPENSES

The shift toward programmatic sales has resulted in a reduction to operating expenses. The largest change has been a significant reduction to the sales staff during 2016 and therefore payroll, commission, and related costs have decreased 29%. Operational efficiencies have also resulted in cost reductions across the board as well as a reduced need for advertising and marketing. The employee and contractor costs include executive remuneration of Ted Dhanik and Kurtis Rintala of $465,186, $483,032 and $212,780 for the years ended 2014, 2015, and 2016, respectively. Refer to Section 5.1.3 for proposed remuneration of executive and non-executive directors going forward.

YEARLY EXPENSES



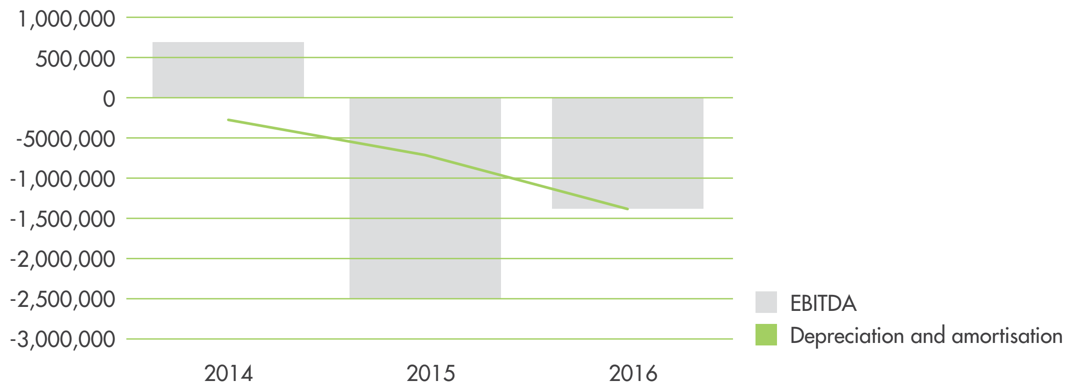
7.6.4 DEPRECIATION AND AMORTIZATION

With the shift to programmatic sales, engage:BDR LLC has been investing in developing and creating its own proprietary technology as a way to differentiate itself in the marketplace and allow greater results for clients. This investment has been capitalised as internally developed software. To accommodate the newly developed software and handle the increased volume, engage:BDR LLC acquired and put into service new servers.

The net loss in 2016 is on par with 2015 but that is the result of a doubling of depreciation and amortisation derived from the internally developed software and server acquisitions. Looking at EBITDA (loss), it can be seen that 2016 improved upon 2015 despite the decreased revenue, another testament to the cost savings and efficiency of programmatic selling. Overlaid is depreciation and amortisation to demonstrate the impact it has on the net loss seen on the income statement:

EBITDA WITH D&A OVERLAID TO DEMONSTRATE IMPACT ON NET LOSS

7.6.5 CASH FLOW ANALYSIS



CASH FLOW FROM OPERATIONS

The increase in movement in net working capital between 2014 and 2015 was because of the increase in revenue in 2015 compared to 2014 and the utilization of a factoring facility in 2015. engage:BDR LLC retains the credit risk associated with the transferred trade receivables, due to the obligation to repurchase, from the factoring company, any receivables that are deemed uncollectible, and therefore the risks and rewards of the asset resides with engage:BDR LLC. Further detail of the transfer of trade receivables can be found in Note 18 (a) of the general purpose financial statements for the year ended 31 December 2015.

December is the largest earnings month during the year for engage:BDR LLC. The month of December 2015 performed well and thus created a large payable balance at year end increasing the working capital movement for 2015. Through use of the factoring facility, and comparatively lower ending payable balance at 31 December 2016, 2016's movement in net working capital appears smaller than 2015.

In conjunction with the increased capitalization of internally developed software and its associated amortization (as mentioned above in Section 7.6.4), there is an associated increase in Other non-cash movements during 2014 to 2016.

CASH FROM/(USED) IN INVESTING

As mentioned above and in Section 7.6.4, there is a noticeable increase in capitalized software development. The increase in Other investing expenditures in 2015 over 2014 is due to the increase in shareholder loans and acquisition of assets (computer/server hardware). 2016 saw a positive cash inflow due to the acquisition of Tiveo LLC.

CASH FROM FINANCING

As mentioned in Section 7.6.4, there were significant server acquisitions during 2015 and 2016 as seen in the year-over-year increases to interest and financing costs during 2014 to 2016. Also, in 2016, convertible notes were issued contributing to the increase in interest and financing costs and resulted in the positive cash inflow for the year.

7.7 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER DISCLOSURES

A summary of significant accounting policies which have been adopted in the preparation of the Financial Information are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Refer to the general purpose financial statements of engage:BDR LLC for the years ended 31 December 2015 and 2016 for all other relevant note disclosures in relation to the Historical Financial Information.

7.7.1 BASIS OF PREPARATION

HISTORICAL COST CONVENTION

The Financial Information has been prepared under the historical cost convention unless otherwise stated.

7.7.2 BASIS OF CONSOLIDATION

The Financial Information comprise the financial information of the Company, engage:BDR LLC and its subsidiaries. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the Financial Information from the date the Company gains control until the date ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Company and the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies. All intra-Company assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, it de-recognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

7.7.3 FOREIGN CURRENCIES

(I) FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency is the currency of the primary economic environment in which each of the entities operate. The functional currency of the Company is Australian Dollars. The functional currency of engage:BDR LLC and Tiveo LLC is US Dollars. The Financial Information is presented in Australian Dollars which is the presentation currency of the Company and engage:BDR LLC.

(II) TRANSACTIONS AND BALANCES

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

7.7.4 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of any allowances, duties and taxes paid.

Revenue is recognised for the major business activities as follows:

(I) RENDERING OF SERVICES

engage:BDR LLC is an internet-based marketplace platform and associated technology solution provider. engage:BDR LLC's proprietary technology is used to facilitate the sale of advertising inventory from digital publishers (websites and apps) to advertisers and their agents (brands, agencies and advertising platforms). Engage:BDR LLC allows digital publishers to monetise their available advertising space by making the inventory available to multiple advertisers, as well as providing various technologies designed to help publishers create incremental streams of revenue. An example of this technology would be the engage:BDR LLC's OutStream advertising unit, which allows publishers to sell space for video advertising on webpages that do not have video content.

Revenue is recognised on an accruals basis as and when the service has been provided to the customer. Revenue from the rendering of services can be recognized by reference to the stage of completion if the final outcome can be reliably estimated. This would be the case if:

(a) The amount of revenue can be measured reliably.
(b) It is probable that economic benefits associated with the transaction will flow to the seller.
(c) The stage of completion can be measured reliably.
(d) The costs incurred and the cost to complete can be measured reliably.

Where engage:BDR LLC receives payment for advertising campaigns up front and, at the reporting date, the underlying campaign is either ongoing or has not commenced, the portion that extends beyond the reporting period is not taken up as revenue, but rather recognised as unearned revenue in the Statement of Financial Position.

(II) INTEREST REVENUE

Interest revenue is recognised when it is probable that the economic benefits will flow to engage:BDR LLC and the amount can be measured reliably. Interest revenue is measured using the effective interest method ("EIR"). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

7.7.5 INCOME TAX

The tax expense recognised in the Financial Information relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and it establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the Financial Information. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognized amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is or would be a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

7.7.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

DEPRECIATION

Depreciation is calculated on a straight line basis for all plant and equipment. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

Leasehold improvements are depreciated over the estimated useful life using the straight-line method with any balance written off at termination of the lease.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of asset and is recognised in profit or loss.

The following depreciation rates are used for each class of depreciable asset:

CLASS OF FIXED ASSETS	USEFUL LIFE
Plant & Computer equipment [1]	2-3 years
Furniture and equipment	2-6 years

[1]Leasehold improvements are contained within plant & computer equipment.

7.7.7 INTANGIBLE ASSETS OTHER THAN GOODWILL

CAPITALISED DEVELOPMENT COSTS

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognised only when engage:BDR LLC can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following the initial recognition of the development expenditure, the cost model is applied requiring the assets to be carried at cost less any accumulated amortisation and accumulated impairment losses. Expenditure is amortised over the period of expected benefits from the related project, being a period of 3 to 4 years.

7.7.8 IMPAIRMENT OF NON-FINANCIAL ASSETS (EXCLUDING GOODWILL)

engage:BDR LLC assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists engage:BDR LLC estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, being the cash generating units ("CGU").

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Engage:BDR LLC bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, engage:BDR LLC estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

7.7.9 FINANCIAL ASSETS

(I) INITIAL RECOGNITION AND MEASUREMENT

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available for sale ("AFS") financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that engage:BDR LLC commits to purchase or sell the asset.

At 31 December 2014, 2015 and 2016, engage:BDR LLC held cash and cash equivalents, loans, and receivables.

(II) SUBSEQUENT MEASUREMENT

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held-to-maturity investments
- AFS financial assets

(III) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. engage:BDR LLC has not designated any financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the income statement. Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(IV) LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

This category generally applies to trade and other receivables. Trade accounts receivable are generally settled between 30 and 90 days and carried at amounts recoverable.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off.

(V) DERECOGNITION

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired

Or

- engage:BDR LLC has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) engage:BDR LLC has transferred substantially all the risks and rewards of the asset, or (b) engage:BDR LLC has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When engage:BDR LLC has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, engage:BDR LLC continues to recognise the transferred asset to the extent of its continuing involvement. In that case, engage:BDR LLC also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that engage:BDR LLC has retained.

(VI) IMPAIRMENT OF FINANCIAL ASSETS

engage:BDR LLC assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

7.7.10 CASH AND CASH EQUIVALENTS

For the purposes of the Cash Flows, cash includes cash on hand and deposits at call which are readily convertible to cash and are not subject to significant risk of changes in value, net of bank overdrafts.

7.7.11 FINANCIAL LIABILITIES

(I) CLASSIFICATION

Financial liabilities within the scope of IAS 39 Financial Instruments: Recognition and Measurement are classified as financial liabilities at FVTPL, loans and borrowing, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Engage:BDR LLC determines the classification of its financial liabilities at initial recognition.

(II) INITIAL RECOGNITION AND MEASUREMENT

All financial liabilities are recognised initially at fair value.

(III) SUBSEQUENT MEASUREMENT

The measurement of financial liabilities depends on their classification as follow:

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as FVTPL, when the financial liability is either held for trading or it is designated as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Derivative financial instruments
Derivatives are initially recognised at fair value and are subsequently measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Embedded derivatives
Derivatives embedded in financial instruments are treated as separate financial instruments when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss. Management has made an assessment of the convertible note contracts and separated out the portion that related to the notes liability and the portion that relates to the embedded derivative and valued and disclosed these separately.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL.

Interest bearing loans and borrowings
After initial recognition, interest bearing loans and borrowing are subsequently measured at amortised cost using the EIR method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised in profit or loss respectively in finance revenue and finance cost.

De-recognition of financial liabilities

A liability is generally derecognized when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, such that the differences in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Fair values

The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short position), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

7.7.12 BUSINESS COMBINATIONS

The Company and engage:BDR LLC apply the acquisition method in accounting for business combinations. The consideration transferred to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Company and engage:BDR LLC recognise identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests) and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in excess of fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

7.7.13 TRADE AND OTHER PAYABLES

Trade accounts payable and other creditors represent liabilities for goods and services provided to engage:BDR prior to the end of the financial year and which are unpaid. The amounts are unsecured, and are measured subsequently at amortised cost using the EIR method. Payment terms vary by creditor, but are typically 60 days.

7.7.14 EMPLOYEE BENEFITS

Wages and salaries, sick leave and short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that engage:BDR LLC expects to pay as a result of the unused entitlement.

(I) WAGES, SALARIES, ANNUAL AND LONG SERVICE LEAVE

Provision is made for the engage:BDR LLC's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Changes in the measurement of the liability are recognised in the income statement.

Employee benefits are presented as current liabilities in the Statement of Financial Position if engage:BDR LLC does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(II) TERMINATION BENEFITS

Termination benefits are those benefits paid to an employee as a result of either engage:BDR LLC's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Termination benefits are recorded as a provision when engage:BDR LLC can no longer withdraw the offer of those benefits.

(III) DEFINED CONTRIBUTION SCHEMES

Engage:BDR LLC has a defined contribution savings plan as defined in subsection 401(k) of the United States Internal Revenue Code. This plan covers substantially all employees who meet minimum age and service requirements and allows participants to defer a portion of their annual compensation. Contributions to the plan may be made at the discretion of engage:BDR LLC.

7.7.15 LEASES

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(I) FINANCE LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to engage:BDR LLC. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of engage:BDR LLC at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

(II) RENTALS AND OPERATING LEASES

Rentals payable under operating leases are charged to the profit or loss on a straight-line basis over the term of the lease.

7.7.16 BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. They are subsequently measured at amortised cost. Any difference between the proceeds and the redemption amount is recognised in profit or loss over the period of the borrowing using the EIR method.

Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are classified as current liabilities unless engage:BDR LLC has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

7.7.17 PROVISIONS

Provisions are recognized when engage:BDR LLC has an obligation as a result of a past event and it is probable that engage:BDR LLC will be required to settle the obligation and that a reliable estimate of the amount of the obligation can be made. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Present obligations arising under onerous contracts are recognised and measured as provisions.

7.7.18 INTERESTS IN EQUITY-ACCOUNTED INVESTEES

Engage:BDR LLC's interests in equity-accounted investees comprise interests in associates.

Associates are those entities which engage:BDR LLC has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Financial Information includes the engage:BDR LLC's share of the profit or loss, until the date on which significant influence ceases.

7.7.19 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Financial Information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(I) DEVELOPMENT COSTS – CAPITALISATION, VALUATION AND IMPAIRMENT

Distinguishing the research and development phases of software projects and determining whether the recognition requirements for the capitalisation of development costs are met, requires judgement. Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project is expected to deliver future economic benefits and these benefits can be measured reliably. Determining the feasibility of the project and the likelihood of the project delivering future economic benefits, which can be measured reliably, is a significant management estimate and judgement.

Capitalised development costs have a finite useful life and are amortised on a systematic basis based on the future economic benefits over the useful life of the project, typically between 3 and 4 years, and are considered for impairment at each reporting date.

After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired. Determining whether intangible assets are impaired requires an estimation of the recoverable amount of the CGU to which intangible assets have been allocated. The recoverable amount calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value.

In the event that these assets do not generate revenues as planned an impairment of the related intangible assets may result.

(II) RECOVERABILITY OF DEBTORS

The determination of the recoverability of trade debtors requires the Directors to exercise their judgement. In reviewing trade debtors, the Company considers any recent history of payments and the status of the projects to which the debt relates. No payment terms have been renegotiated. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further provision required in excess of the allowance for impairment.

(III) RECOGNITION OF DEFERRED TAX ASSETS

Deferred income taxes arise from temporary differences between the tax and financial statement recognition of revenue and expense, the incurrence of tax losses and entitlement to non-refundable tax offsets. In evaluating the Company's ability to recover deferred tax assets within the jurisdiction from which they arise, the Company considers all available positive and negative evidence, including probability of achieving appropriate continuity of ownership levels, likelihood of meeting relevant definitions of "same business", scheduled reversals of deferred tax liabilities, projected future taxable income and results of recent operations. This evaluation requires significant management judgment.

(IV) VALUATION OF EMBEDDED DERIVATIVES

The US$385,000 convertible notes issued between 6 June 2016 and 30 August 2016 have two components, being the debt portion of the instrument and the option to convert the debt into shares in the Company. IAS 32 Financial Instruments: Presentation requires that, as the number of shares to be converted is not fixed, these need to be valued separately. IAS 39 requires the calculation of the fair value of the option to be performed at each reporting period. The embedded derivative (option to convert the loan note into shares in engage:BDR LLC) has been fair valued using the Black Scholes model which requires critical judgements in order to ascertain the Company's share price variability.

By their nature, these estimates are subject to measurement uncertainty and the effect of changes in such estimates on the Financial Information of future periods could be significant.

V) VALUATION OF SHARE BASED PAYMENTS

The options issued to the Lead Manager are defined as share based payments. The valuation of share based payment transactions is measured by reference to fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

The following inputs were used to value the options on issue:

ITEM	VALUE OF INPUT
Number of Lead Manager Options	5,000,000
Exercise price	$0.25
Expected volatility	65%
Implied option life	3.00 years
Expected dividend yield	Nil
Risk free rate	2.10%

7.7.20. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Refer to the general purpose financial statements of engage:BDR LLC for the year ended 31 December 2016 for new Accounting Standards and Interpretations and their impact.

8 INDEPENDENT LIMITED ASSURANCE REPORT

Ernst & Young
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15 September 2017

The Board of Directors
Engage BDR LLC
9000 Sunset Blvd
West Hollywood, 90069
USA

The Board of Directors
Engage BDR Limited
Scottish House
Level 4, 90 William Street
Melbourne Victoria 3000
Australia

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON HISTORICAL FINANCIAL INFORMATION AND PRO FORMA HISTORICAL FINANCIAL INFORMATION

1. Introduction

We have been engaged by engage:BDR Limited ('the 'Company') and engage:BDR LLC ('engage:BDR') to report on the historical financial information of engage:BDR and pro forma historical financial information of the Company for inclusion in the replacement prospectus ('Prospectus') to be dated on 15 September 2017, and to be issued by the Company, in respect of an offer of up to 30,000,000 Shares at an issue price of $0.20 cents per share to raise up to $6,000,000 together with 1 free attaching listed Option for every 2 Shares subscribed for and issued in the Company (the 'Offer').

Expressions and terms defined in the Prospectus have the same meaning in this report.

2. Scope

Historical Financial Information

You have requested Ernst & Young to review the following historical financial information of engage:BDR:

- the historical income statements for the years ended 31 December 2014 and 31 December 2015 and the historical consolidated income statement for the year ended 31 December 2016 as set out in Section 7.3 of the Prospectus;
- the historical consolidated statement of financial position as at 31 December 2016 as set out in Section 7.4 of the Prospectus; and
- the historical cash flows for the years ended 31 December 2014 and 31 December 2015 and the historical consolidated cash flows for the year ended 31 December 2016 as set out in Section 7.5 of the Prospectus.

(Hereafter 'the Historical Financial Information')

The Historical Financial Information of engage:BDR has been derived from its general purpose financial reports for the years ended 31 December 2015 (which includes comparative financial information for the year ended 31 December 2014) and 31 December 2016, which were [audited by Ernst & Young in accordance with Australian Auditing Standards. Ernst & Young issued an unmodified audit opinion on the 2015 financial statements, which included an emphasis of matter on going concern, and an unmodified audit opinion on the 2016 financial statements, which included a material uncertainty on the ability of engage:BDR to continue as a going concern.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles of International Financial Reporting Standards ('IFRS') and interpretations as issued by the International Accounting Standards Board ('IASB').

Pro Forma Historical Financial Information

You have requested Ernst & Young to review the following pro forma historical financial information of the Company:

- the pro forma historical consolidated statement of financial position as at 31 December 2016 based on a minimum capital raising of $4,000,000 as set out in Section 7.4 of the Prospectus; and
- the pro forma historical consolidated statement of financial position as at 31 December 2016 based on a maximum capital raising of $6,000,000 as set out in Section 7.4 of the Prospectus.

(Hereafter the 'Pro Forma Historical Financial Information').

(the Historical Financial Information and Pro Forma Historical Financial Information is collectively referred to as the 'Financial Information').

The Pro Forma Historical Financial Information has been derived from the historical consolidated statement of financial position of engage:BDR as at 31 December 2016, and adjusted for the effects of pro forma adjustments described in Section 7.4 of the Prospectus.

The Pro Forma Historical Financial Information has been prepared in accordance with the stated basis of preparation, being in accordance with the recognition and measurement principles of IFRS and interpretations as issued by the IASB, other than it includes certain adjustments which have been prepared in a manner consistent with IFRS, that reflect the impact of certain transactions as if they had occurred as at 31 December 2016.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

The Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by IFRS as issued by the IASB and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

3. Directors' Responsibility

The directors of the Company are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the basis of preparation, selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

4. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained.

We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.
Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited assurance procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the Financial Information.

5. Conclusions

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information of engage:BDR comprising:

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- the historical income statements for the years ended 31 December 2014 and 31 December 2015 and the historical consolidated income statement for the year ended 31 December 2016 as set out in Section 7.3 of the Prospectus;
- the historical consolidated statement of financial position as at 31 December 2016 as set out in Section 7.4 of the Prospectus; and
- the historical cash flows for the years ended 31 December 2014 and 31 December 2015 and the historical consolidated cash flows for the year ended 31 December 2016 as set out in Section 7.5 of the Prospectus,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 7.2.1 of the Prospectus.

Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information of the Company comprising:

- the pro forma historical consolidated statement of financial position as at 31 December 2016 based on a minimum capital raising of $4,000,000 as set out in Section 7.4 of the Prospectus; and
- the pro forma historical consolidated statement of financial position as at 31 December 2016 based on a maximum capital raising of $6,000,000 as set out in Section 7.4 of the Prospectus,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 7.2.1 of the Prospectus.

6. Material Uncertainty Related to Going Concern

Without qualification to the limited assurance conclusion expressed above, attention is drawn to the following matter. As disclosed in Section 7.2.4 to the Prospectus there is material uncertainty whether the Company will be able to continue as a going concern and therefore whether it will be able to pay its debts as and when they become due and payable and realise its assets and extinguish its liabilities in the normal course of operations and at the amounts stated in the historical and pro forma historical consolidated statements of financial position. The historical and pro forma historical consolidated statements of financial position do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

7. Restriction on Use

Without modifying our conclusions, we draw attention to Sections 7.2.1 and 7.2.2 of the Prospectus, which describes the purpose of the Financial Information. As a result, the Financial Information may not be suitable for use for another purpose.

8. Consent

Ernst & Young has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included.

9. Independence or Disclosure of Interest

Ernst & Young does not have any interests in the outcome of this Offer other than in the preparation of this report for which normal professional fees will be received.

Yours faithfully

Ernst + Young

Ernst & Young

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9 ADDITIONAL INFORMATION

ADDITIONAL INFORMATION

9.1 MATERIAL CONTRACTS

The Directors consider that certain agreements are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for the Shares.

The provisions of these material agreements are summarised below. As this Section only contains a summary, the provisions of each material agreement are not fully described. To understand fully all rights and obligations pertaining to the material agreements, it would be necessary to read them in full.

List of Material Contracts:

1. Share Sale and Purchase Agreement between the Company and engage:BDR LLC dated 27 August 2017
2. Lead Manager Mandate Agreement between engage:BDR and Sanlam Private Wealth Pty Ltd
3. Executive and Non Executive Service Agreements

9.1.1 SHARE SALE AND PURCHASE AGREEMENT

INTRODUCTION

The Company entered into a Share Sale and Purchase Agreement with engage:BDR in August 2017 ('Share Sale and Purchase Agreement'). Pursuant to that Agreement engage:BDR has agreed to procure the engage:BDR Shareholders sell their shares in engage:BDR LLC to the Company in accordance with the terms of the Share Sale and Purchase Agreement.

The material terms of the Share Sale and Purchase Agreement are as follows:

- The consideration to be provided to the engage:BDR LLC Shareholders in the Shareholder Proportions is as follows:
  - 199,699,858 Shares at a deemed issue price of $0.20 per share;
  - Completion of the Share Sale and Purchase Agreement was conditional on inter alia the following:
    - engage:BDR LLC procuring the sale and transfer of all of the engage:BDR shares held by the engage:BDR Shareholders to the Company
    - The Company raising a minimum of AUD$4,000,000 in an initial public offering
    - The Company obtaining all necessary approvals from ASX, ASIC and other necessary regulatory authorities

9.1.2 MANDATE AGREEMENT

The Company and the Lead Manager have entered into a Mandate Agreement (Mandate) whereby the Company has appointed Sanlam Private Wealth ("Sanlam") to manage the Offer.

ROLE OF THE LEAD MANAGER

Sanlam will act as Lead manager to the IPO, subject to satisfaction of the conditions as set out in the Mandate.

Sanlam will provide the Company with all necessary assistance in arranging the IPO as is customary and appropriate in transactions of this nature. This will include commercial advice in relation to announcements concerning the IPO.

Sanlam has the relevant experience to perform the services as outlined by the Mandate and will act in good faith and in a professional and timely manner, providing all necessary assistance in undertaking the IPO. The performance of Sanlam will depend upon the Company's timely cooperation and instructions.

IPO MANAGEMENT

Sanlam will familiarise itself with all aspects of the transaction including the Company's business, operations, properties and processes, and as such will rely entirely on publicly available information and any other information supplied by the Company and its advisers without independent investigation or verification.

In conjunction with the Company, Sanlam will facilitate demand and generally manage the issue, including capital raise, allocations and settlement.

LEAD MANAGERS TO THE OFFER

Sanlam may at any time, with the prior consent of the Company (which must not be unreasonably withheld) appoint co-managers and Lead Managers to the Offer. Sanlam is responsible for all fees payable to any co-manager or Lead Manager appointed by Sanlam with respect to the Offer.

Sanlam may terminate the appointment of any co-manager or Lead Manager appointed by it, and will promptly notify the Company of that termination.

REMUNERATION OF THE LEAD MANAGER

(a) The Lead Managers fees will be 6% of the gross dollar amount raised from all sources in the IPO.
(b) Sanlam or its nominee will also receive 5,000,000 Listed Options. These options are to be issued on the same terms as all of the other Options to be offered under the Prospectus. The term of the Options is to be 36 months and the Options are exercisable at a $0.25 cents (25 cents)
(c) Sanlam will be reimbursed all of its reasonable out-of-pocket expenses directly related to the Offer. Sanlam requires the Company's consent prior to incurring any single expense greater than $2000.
(d) Fees referred to in this Mandate are exclusive of GST. Irrespective of whether Sanlam's' engagement proceeds or is completed, the Company is responsible for any services performed by its agents and subcontractors (i.e. lawyers, accountants, independent experts, advisers, printing and advertising agents, etc) and is responsible for the terms of their appointment including the payment of all fees and imposts to them.

EXCLUSIONS TO THE SCOPE OF WORK AND ROLE OF SANLAM

(a) Sanlam does not provide tax, legal, regulatory, accounting, or other specialist or technical advice to the Company.
(b) Sanlam is not underwriting the IPO Offer. Sanlam will provide its services on a "reasonable endeavours" basis in relation to the capital raising.
(c) Sanlam does not accept performance or settlement risk on any investor and any investor introduced by the Company must fully comply with the Corporations Act and the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth), along with Sanlam's policies and procedures.
(d) Sanlam will not act as agent, sponsor or fiduciary and is an independent contractor (for the purpose of the Mandate).
(e) Due diligence and analysis thereof, and the commercial merits and prudence of the proposed IPO, are entirely decisions for the Company.

CONDITIONS

Sanlam's participation and assistance as Lead Manager to the IPO is subject to the following conditions, which must be satisfied in Sanlam's sole and absolute opinion.

(a) Sanlam's satisfaction with its own due diligence investigations of the Company.
(b) Sanlam procuring firm commitments from investors to the IPO to its satisfaction.
(c) The Company not making any public statement relating to the IPO or the Mandate without the prior approval of Sanlam, except where the public statement is required to comply with ASX Listing Rules.
(d) The prospectus being lodged with ASIC in form and substance satisfactory to Sanlam.
(e) The ASX not having raised any objection to the listing and the admission of the Shares to quotation on the ASX.

TERMINATION

TERMINATION OF OBLIGATIONS

The Lead Manager's obligations under the Mandate cease on the earliest to occur of:

I. Completion;
II. the Lead Manager terminating the Mandate prior to the allotment of any Shares, upon giving 2 Business Days' notice of its intention to do so, if one of the following occur:
   i. The Australian equity capital market conditions are not conducive to the successful completion of the raising; or
   ii. The conditions to the Mandate have not been, or will not in Sanlam's sole and absolute opinion be, satisfied, or waived by Sanlam in writing.
III. the Company withdrawing the Offer or the Prospectus (or any Supplementary Prospectus).

REPRESENTATIONS OF THE LEAD MANAGER

The Lead Manager represents and warrants to the Company that;

I. it has the power to enter into and perform all of its obligations under and comply with all of the terms and conditions of the Mandate;
II. all approvals and authorities that may be required to permit it to enter into the Mandate and to perform the Mandate in accordance with its terms have been obtained and remain valid and subsisting, including all authorisations under an AFSL required for the Lead Manager (or its Related Body Corporate) to perform the obligations under the Mandate and the Intermediary Authorisation Agreement;

REGULATORY COMPLIANCE BY THE COMPANY

(a) The Company must ensure that advertising, publicity and all other material issued or published by it and relating to advertising and publicity of or in relation to the Offer, the Prospectus or any other disclosure document is not published or distributed without the prior written approval of the Lead Manager (such approval not to be unreasonably withheld or delayed) or as required by law (including the Listing Rules) or ASX.

(b) The Company must ensure that:
the Prospectus and each other disclosure document; and advertising, publicity and all other material issued or published by it and relating to advertising and publicity of or in relation to the Offer, the Prospectus or any other disclosure document, complies with, to the extent applicable, the Corporations Act, any requirement of ASIC, ASX or any other Governmental Agency, the ASX Waivers, any applicable ASIC Class Orders or ASIC Regulatory Guides, the Listing Rules and all other applicable laws and regulations (except to the extent that compliance has been modified or waived, or an exemption has been granted by a person having authority to do so).

The Company will comply with all applicable legal, taxation and regulatory provisions (including the Company's Constitution, the Corporations Act, the ASX Listing Rules and any ASX and ASIC requirements and the applicable laws of any jurisdiction in which the capital raising is conducted) for the purposes of the capital raising.

INDEMNITY

The Company agrees to unconditionally and irrevocably indemnify and keep indemnified and hold harmless Sanlam together with its associates and related companies, its directors, agents and staff (collectively referred to as the ("Indemnified Parties") against any and all liabilities, losses (including loss of profit or losses or costs incurred in preparation for or involvement in connection with any prosecution, investigation, enquiry or hearing by ASIC, ASX or any governmental authority or agency), demands, damages, penalties, proceedings (whether civil or criminal), judgements, costs, fees or expenses (including legal costs) of any kind whatsoever ("Losses") which may be incurred, suffered, paid or liable to be paid by an Indemnified Party in any jurisdiction directly or indirectly arising out of or in respect of any services that are provided by Sanlam to the Company.

It is acknowledged that these indemnities will not apply if an Indemnified Party has caused the Loss as a result of:

(a) that party's negligence, wilful default or fraud; or
(b) that Party making a false or misleading representation, or providing false or misleading information, to a third party, without the prior authorisation from the Company or without being able to establish that the source of the representation or the information, as the case may be, was the Company.

9.1.3 TED DHANIK – EXECUTIVE DIRECTOR SERVICES AGREEMENT

The Executive Chairman's Service Agreement is for the engagement of Ted Dhanik as the Executive Chairman and Chief Executive Officer of the Company.

The remuneration to be paid by the Company to Ted Dhanik under the terms of the Executive Services Agreement is the sum of USD$ 235,000 per annum plus statutory superannuation.

9.1.4 KURTIS RINTALA EXECUTIVE DIRECTOR SERVICE AGREEMENT

The Executive Director Service Agreement is for the engagement of Kurtis Rintala as an Executive Director and Chief Operating Officer of the Company.

The remuneration to be paid by the Company to Kurtis Rintala under the terms of the Executive Services Agreement is the sum of USD$ 235,000 per annum plus statutory superannuation.

9.1.5 TOM ANDERSON – NON-EXECUTIVE DIRECTOR SERVICE AGREEMENT

The Non Executive Service Agreement is for the engagement of Thomas Anderson as a Non-Executive Director of the Company.

The remuneration to be paid by the Company to Thomas Anderson under the terms of the Non Executive Services Agreement is the sum of USD$ 45,000 per annum plus statutory superannuation.

9.1.6 BRUCE MCMENAMIN – NON-EXECUTIVE DIRECTOR SERVICE AGREEMENT

The Non Executive Service Agreement is for the engagement of Bruce McMenamin as a Non-Executive Director of the Company.

The remuneration to be paid by the Company to Bruce McMenamin under the terms of the Non Executive Services Agreement is the sum of USD$ 35,000 per annum plus statutory superannuation.

9.1.7 RON PHILLIPS – NON-EXECUTIVE DIRECTOR SERVICE AGREEMENT

The Non Executive Service Agreement is for the engagement of Ron Phillips as a Non-Executive Director of the Company.

The remuneration to be paid by the Company to Ron Phillips under the terms of the Non Executive Director Services Agreement is the sum of USD$ 35,000 per annum plus statutory superannuation.

9.2 INCORPORATION

The Company was incorporated as engage:BDR Limited (an Australian public company) on 17 August 2017.

9.2.1 RIGHTS AND LIABILITIES ATTACHING TO SHARES AND OPTIONS

The rights and liabilities attaching to the Shares and Options are set out in the Company's Constitution, as well as arising from statute, the Listing Rules and general law. The Constitution contains provisions common for public companies in Australia. The Constitution has been lodged with ASIC. The Company will give a copy of the Constitution to any person who requests a copy of it during the offer period of this Prospectus, free of charge. The Shares and Options currently on issue and offered under this Prospectus are of the same class and rank equally. A summary of the rights and liabilities attaching to the Shares and Options are summarised below. The summary assumes that the Company is admitted to the Official List.

9.2.2 GENERAL MEETINGS

Shareholders are entitled to attend and vote at general meetings of the Company, in person, or by proxy, attorney or representative.

For so long as the Company remains a listed entity, Shareholders will be entitled to receive at least 28 days' prior written notice of any proposed General Meeting.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

9.2.3 VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of Shareholders or a class of Shareholders:

- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him or her, or in respect of which he or she is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

9.2.4 DIVIDEND RIGHTS

Subject to the rights of any preference Shareholders and to the rights of the holders of any Shares and Options created or raised under any special arrangement as to dividend, the Board may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which will be payable on all Shares. The Board may also from time to time pay to the Shareholders such interim dividends as the Board may determine.

No dividend will carry interest as against the Company. The Board may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Board, for any purpose for which the profits of the Company may be properly applied. Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Board, implement a dividend reinvestment plan on such terms and conditions as the Board thinks fit and which provides for any dividend which the Board may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company will, either pursuant to the Constitution or any law, be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

9.2.5 WINDING-UP

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

9.2.6 SHAREHOLDER LIABILITY

As the Shares offered in the Prospectus are fully paid shares, they are not subject to any calls for money by the Company and will therefore not become liable for forfeiture.

9.2.7 TRANSFER OF SHARES

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

9.2.8 VARIATION OF RIGHTS

The rights attaching to Shares may only be varied or cancelled by the sanction of a special resolution passed at a meeting of Shareholders or with the written consent of holders of three quarters of all Shares on issue. A special resolution is passed only where approved by at least 75% of all votes cast (and entitled to be cast) on the resolution at the meeting.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

9.2.9 ALTERATION OF CONSTITUTION

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting.

9.3 DIVIDEND REINVESTMENT PLAN

The Company proposes in the future to adopt a Dividend Reinvestment Plan (DRP). The purpose of the DRP is to allow shareholders to elect to have dividends payable to them reinvested in shares in the Company. Under the terms of the DRP, Shares issued or transferred will be issued or transferred at the market price of Shares less such discount (if any) as the Directors may determine from time to time (rounded to the nearest cent).

The market price of the Shares will be calculated as the average of the daily volume weighted average market price of all Shares sold through a normal trade on the ASX automated trading venue (and/or such other trading venues as the Directors may determine from time to time) during the ten Business Days of ASX commencing on the second Business Day of ASX following the relevant Record Date, or such other period commencing before or after the Record Date as the Directors may determine and announce to ASX.

If, at the absolute discretion of the Directors, the market price of shares as calculated above is not considered to represent the then fair market value of Shares, the Directors may determine the fair market value of Shares in their absolute discretion. Fractional entitlements to shares will be rounded down. Shareholders may choose whether the DRP is to apply in respect of dividends paid for all or some of their Shares. An election by a shareholder to participate in the DRP will continue to apply for all future dividends until cancelled.

The issue price of Shares under the DRP will be announced to ASX prior to the issue of Shares and Shareholders will have an opportunity to vary or withdraw participation in the DRP prior to the issue of Shares.

There will be no charges for Lead Managerage, commission, stamp duty or any other costs for Shares issued or transferred under the DRP.

Shares issued under the DRP will be of the same class and rank equally in all respects with existing Shares from the date of allotment. Application will be made to ASX for admission to quotation of Shares issued under the DRP.

The Directors will determine whether the Shares to fulfil the obligations under the DRP are new Shares issued by the Company or the purchase and transfer of existing Shares already on issue.

A copy of the DRP will be lodged with ASIC before the implementation of the DRP. The Company will give a copy of the DRP to any person who requests a copy of it free of charge. The operation and availability of the DRP is subject to compliance with the Corporations Act and Listing Rules.

9.4 ASX WAIVER

The Company has not sought or been granted any waiver of ASX Listing Rules

9.5 LITIGATION

The Company is not involved in any material legal or arbitration proceedings nor, as far as the Directors are aware, are any such material proceedings pending or threatened against the Company.

9.6 COST OF THE OFFER

SUBSCRIPTION AMOUNT	$4,000,000	$6,000,000
Lead Manager Fee	240,000	360,000
ASX Listing Fees (Est.)	119,000	121,000
Independent Limited Assurance Report	60,000	60,000
Issue Promotion	25,000	25,000
Other Costs	20,000	20,000
ESTIMATED COSTS OF THE OFFER	**464,000**	**586,000**

9.7 INTERESTS OF ADVISERS

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was associated with, has now, or had, in the two year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer under this Prospectus; or
- the Offer under this Prospectus.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer under this Prospectus.

Sanlam have agreed to act as Lead Manager to the Offer. Details of the Mandate Agreement, including fees and other amounts paid or payable to the Lead Manager for its services, are set out in Section 9.1.2.

Ernst & Young has prepared the Independent Limited Assurance Report included in Section 8 of this Prospectus. The Company estimates that it will pay approximately $60,000 (plus GST) (excluding disbursements) to Ernst & Young in respect of this work.

9.8 CONSENTS TO BE NAMED

Each of the parties referred to in this Section:

(a) does not make the Offer;
(b) does not make, or purport to make, any statement in this Prospectus or on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus; and
(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified below.

Ernst & Young has given its written consent to the inclusion in Section 8 of this Prospectus of its Independent Limited Assurance Report in the form and context in which they appear and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Each of the following has consented to being named in this Prospectus in the capacity as noted below and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC:

(a) Sanlam as the Lead Manager;
(b) Ernst & Young Australia as the Investigating Accountant;
(c) Ernst & Young Australia as the Auditors of engageBDR LLC.;
(d) Computershare Registry Services Limited as the Share Registrar.

10 DIRECTORS' STATEMENT

Each director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

TED DHANIK
Executive Chairman

KURTIS RINTALA
Executive Director

TOM ANDERSON
Non-Executive Director

BRUCE MCMENAMIN
Non-Executive Director

RON PHILLIPS
Non-Executive Director

11 GLOSSARY OF TERMS

This glossary of defined terms is provided to assist persons in understanding some of the expressions used in this Prospectus.

ACT means the Corporations Act.

AFSL means Australian Financial Services Licence.

APPLICANT(S) means an applicant or applicants for Shares and Options offered under this Prospectus who lodges an Application Form.

APPLICATION means an application for Shares and Options offered pursuant to this Prospectus.

APPLICATION FORM(S) means the application form forming part of or accompanying this Prospectus in relation to the subscription for Shares and Options offered pursuant to this Prospectus.

APPLICATION MONIES means funds paid in respect of applying for Shares and Options offered under this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and/or the prescribed financial market operated by ASX Limited or its applicable subsidiary.

ASX ALL ORDS INDEX is an index of the combined share price for 500 selected shares on the Australian Stock Exchange.

AUD, A$ AND $ means Australian Dollars.

BOARD means the board of Directors of the Company

LEAD MANAGER FIRM OFFER means the invitation under this Prospectus to apply for Shares at $0.20 each in accordance with the terms of the Lead Manager Firm Offer detailed in the Prospectus.

BUSINESS DAY means any day (except Saturday, Sunday and any other day in which ASX shall declare and publish is not a business day) on which banks in Melbourne are open on any day are reduced, such day shall not be a Business Day unless the Directors otherwise determine.

CLOSING DATE means 5:00pm Melbourne, Victoria time on 29 September 2017 or such earlier or later date as determined by the Company.

COMPANY means engage:BDR Limited (ACN 621 160 585).

CONSTITUTION means the constitution of the Company adopted by shareholders.

CORPORATE DIRECTORY means the section of this Prospectus entitled Corporate Directory.

CORPORATIONS ACT means the Corporations Act 2001 (Commonwealth).

DIRECTORS AND BOARD means the Board of Directors of the Company as it is constituted from time to time.

DIRECTOR means a director appointed to the Board of the Company.

ENGAGE:BDR means engage:BDR, LLC and engage:BDR

EQUITIES means Shares issued by corporate entities.

EXPOSURE PERIOD means the period of seven days after the date of lodgement of the Prospectus with ASIC, which period may be extended by ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

GENERAL PUBLIC OFFER means the offer available to the public referred to in Section 2 available to the public.

GOVERNMENT means the Government of Australia, from time to time.

INDEPENDENT LIMITED ASSURANCE REPORT means the report prepared by Ernst & Young included in Section 8 of this Prospectus.

IPO means initial public offering.

GLOSSARY OF TERMS

LEAD MANAGER means Sanlam Private Wealth.

LISTING means the Company being admitted to the Official List of ASX.

LISTING RULES means the Listing Rules of ASX.

MAXIMUM SUBSCRIPTION means $6,000,000.

MINIMUM SUBSCRIPTION means $4,000,000.

OFFER means the proposed offer of Shares and Options pursuant to this Prospectus, comprising the Lead Manager Firm Offer and the General Public Offer.

OFFER PRICE means $0.20 cents.

OFFICIAL LIST means the official list of entities, which ASX has admitted and not removed.

OPENING DATE means 16 September 2017, unless the exposure period is extended by ASIC.

PROSPECTUS means this Prospectus as modified or varied by any supplementary document issued by the Company and lodged with ASIC from time to time.

SECURITIES means Shares of the Company.

SHARE OR SHARES means a fully paid ordinary share in the capital of the Company.

SHAREHOLDER means a holder of Shares in the Company.

SHARE REGISTRAR means Computershare Registry Services Limited.

USD$ means United States Dollars

CORPORATE DIRECTORY

ENGAGE:BDR LIMITED
ACN 621 160 585
Scottish House
Level 4
90 William Street
Melbourne Victoria 3000
Australia

Anticipated ASX Code: **EN1** and **EN1O**

DIRECTORS

TED DHANIK
Executive Chairman

KURTIS RINTALA
Executive Director

TOM ANDERSON
Non-Executive Director

BRUCE MCMENAMIN
Non-Executive Director

RON PHILLIPS
Non-Executive Director

LEAD MANAGER

Sanlam Private Wealth Pty Ltd
Level 7
100 Collins Street

Ph: +61 (03) 8640 5555

COMPANY SECRETARY

Bruce McMenamin
Ph: +61 (03) 8199 7944

SHARE REGISTRAR

Computershare Registry Services Limited
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067

INVESTIGATING ACCOUNTANT

Ernst & Young
8 Exhibition Street
Melbourne Victoria 3000

AUDITOR

Ernst & Young
8 Exhibition Street
Melbourne Victoria 3000

ENGAGE BDR