

REELTIME MEDIA LIMITED

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Companies Announcements Office Australian Securities Exchange 20 Bridge Street SYDNEY NSW 2000

ANNOUNCEMENT FOR RELEASE TO THE MARKET REELTIME MEDIA LIMITED ASX: RMA

Brightlabs Acquisition

The Company advises that it has reached an agreement with the owners of JDX Holdings Pty Ltd for the purchase of Brightlabs and related businesses.

Brightlabs (<u>www.brightlabs.com.au</u>) is one of the principal Digital Agencies on the East Coast of Australia having been established in 2000, with offices in Melbourne and Brisbane. Brightlabs specialises in digital strategies for larger brands including their website development, mobile sites, app development, search engine marketing and the integration of these components with offline marketing activities.

Brightlabs are internationally acclaimed having won The IMA Top 10 Agency Worldwide Award, The Webby Award and Best Web Design Agencies Award, to name a few. Brightlabs has also been a recipient of the BRW Fast 100 award.

Brightlabs create, develop and support some of the most recognised, respected and leading brands in Australia including Woolworths, Tatts Group, Eagle Boys, Cancer Council, Raine & Horne, Transfield Services and Travelsim.

The acquisition of Brightlabs provides RMA with another brand to leverage for the rollout of its extensive Digital Agency strategy throughout Australia & New Zealand. This includes the setup of staffed offices in major cities including Sydney, Canberra, Perth and Auckland to focus on securing work from larger organisations, national brands and Government.

All key personnel from Brightlabs will be continuing on with the business, and Mr Rishad Sukhia will be appointed as *National Business Development and Brand Manager, Brightlabs*, and will head the Australasian rollout of this leading digital agency brand.

RMA has also purchased the Research & Development business of JDX Holdings Pty Ltd, all Intellectual Property assets and some start up operations of JDX Holdings Pty Ltd. The consideration for the acquisition is \$500,000 in cash (75%) and shares (25%).

The Managing Director of Reeltime Media Limited, Mr Gabriel Ehrenfeld, stated, "The acquisition of Brightlabs will further accelerate the Company's charge in the one-stop digital media solutions space. Businesses of all sizes can come to RMA and receive expert service in all digital branding and digital presence matters, including websites, online advertising, search engine marketing, online directory listings, e-commerce solutions, social media and app development. Additionally, they can receive all associated support services including provision of hardware, hosting solutions, internet connectivity, cloud solutions, managed IT sevices, customer support, onsite support and training services."

Queries can be directed to:

Ian Sanderson Company Secretary

ABOUT REELTIME MEDIA LIMITED

Digital Service and IT Company

Reeltime Media Limited (ASX: RMA) is one of Australia's largest and fastest growing Digital Services and IT companies. RMA's 100% wholly owned subsidiaries specialise in the delivery of online applications, marketing solutions, IT solutions, training & consulting to SME's and corporate clients. Including acquisitions under contract, the Group collectively employs approximately 220 personnel, services in excess of 4,000 clients and has offices in Sydney, Melbourne, Brisbane, Perth and offshore.

RMA is experiencing substantial growth with the ongoing acquisition of website development companies, digital services agencies, IT services businesses, and the development of new profitable businesses to fill demand for training and social media services. This growth is compounded by the shift in client spend from offline to online advertising and an increased need for ITbased solutions within their businesses.

Businesses acquired into the Group typically achieve an immediate increase in profitability through the centralisation of administrative functions and more efficient deployment of existing personnel and assets. Substantial revenue growth is achieved through the crossselling of a wide range of services that are already being provided under different brands in the Group. This results in higher customer satisfaction, reduced client churn, higher average client spend, and in turn greater shareholder returns.

RMA continues to seek potential acquisitions to increase its market share of the digital services industry and provide a complete service offering for SME's and corporate clients.

Divisions within RMA

RMA's resources and brands are arranged according to the following three primary divisions:

Digital Services Division

The Digital Services Division includes the provision of the following services through RMA's subsidiaries:

- Website design & development
- Paid search engine advertising including Google AdWords
- Search engine optimisation (SEO)
- Display advertising
- Social Media management
- Mobile apps
- Custom software development
- Domain names

IT Services Division

RMA's IT Services Division provides a range of hardware and software solutions to businesses via its subsidiaries. The Group has identified the need to provide clients with an end-to-end solution beyond digital services as clients often associate IT with online services. Current services provided by RMA include:

- Managed IT services
- Hardware solutions
- Software solutions
- Cloud solutions
- Web hosting & co-location
- Data backup & security

Training Division

RMA's Training Division was established to fill the need for high quality training on digital services and IT, and provide RMA personnel with continuing professional development given the rapid rate of change in the digital services & IT industries. RMA launched its training business, Australian Digital Marketing Institute (ADMi), in August 2013. ADMi will undertake the necessary steps to become a registered training organisation (RTO) within 12 months.