

ASX RELEASE

19 July 2021

ADVERTITAS RAISES \$3 MILLION TO ACCELERATE GROWTH

Key highlights:

- **Adveritas receives firm commitments for \$3 million placement at \$0.10 per share**
- **Placement supported by new institutional investor Pathfinder Asset Management and new and existing sophisticated investors**
- **Strengthened balance sheet supports accelerated sales and marketing growth momentum**

Adveritas limited (**Company or Adveritas**) (**ASX:AV1**) is pleased to announce it has received firm commitments for a \$3 million placement, strengthening the Company's balance sheet and supporting an acceleration of sales and marketing activities.

Placement

The Company has received firm commitments to raise \$3 million through a placement to new and existing sophisticated investors of 30,000,000 fully paid ordinary AV1 shares (**Shares**) at an issue price of \$0.10 per Share which equates to the 7 day VWAP. New Shares issued under the placement will rank equally with the Company's existing shares.

The placement is being undertaken under the Company's existing ASX Listing Rule 7.1 placement capacity. Settlement of the placement and issue of the new Shares is currently scheduled to take place on or about 21 July 2021, with quotation of the new Shares expected to occur on or about 22 July 2021.

Placement funds will support an acceleration of the Company's growth momentum as the marketing team drives further inbound lead generation and the sales team converts the strong and growing sales pipeline it has built. The Company will be adding additional sales and customer success personnel to deal with the high volume of trials occurring and increasing its marketing spend in key digital channels to promote the TrafficGuard product to the mass market.

The Company welcomes new investor, Pathfinder Asset Management, New Zealand's leading ethical investment fund. Pathfinder has a strong performance track record, recently won multiple awards at the 2021 Mindful Money awards, and was named the Good Return/Research IP 2020 Responsible Investment Manager of the year. Pathfinder is investing through its Ethical Trans-Tasman Fund, which holds a concentrated, high-conviction portfolio of Australasian stocks.

Balance sheet strength

The Company's strengthened balance sheet supports its sales and marketing growth momentum.

Combining the placement proceeds with the Company's current cash reserves and the funds potentially raised from the exercise of the outstanding listed options would result in a pro-forma cash balance of \$11.8 million. There are 55.5 million outstanding listed options (ASX: AV1O), with a 10 cent exercise price that expire in October 2021.

Comment

Co-founder & CEO Mathew Ratty said:

"I am delighted with the support we have received for this placement from existing and new sophisticated investors. With the end to end sales processes put in place to compress the sales cycle, along with recent growth in revenue and a record sales pipeline in multiple verticals which includes gaming, retail, on demand transport and many others, the Company has decided to increase its investment into sales and marketing to accelerate the growth opportunities available.

"Our "three by three" sales model has grown our pipeline to the strongest level it has ever been and provides significant cross and upsell opportunities. We have three pricing models – Freemium, land and expand, and long-dated contracts being sold across three channels – mass market, direct sales and third-party distribution.

"Our multiple award-winning product, TrafficGuard, has been well received by the industry and is being increasingly used for the automated removal of invalid traffic as well as real time data analytics that gives marketing teams complete visibility on how and where invalid traffic is affecting them. By using TrafficGuard, our clients are seeing better performance and maximising their return on ad spend, and it's this performance that is driving increasing interest in TrafficGuard."

This announcement is authorised for lodgement by the Board of Adveritas Limited.

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For more information, please contact:

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About Adveritas

Adveritas Ltd (ASX:AV1) creates innovative software solutions that leverage big data to drive business performance. Adveritas' ad fraud prevention software, TrafficGuard, is its first available software as a service. Early adopters of TrafficGuard include LATAM super-app, Rappi and APAC super-app, GO-JEK. Both businesses are well funded with multibillion dollar valuations and conducting aggressive user acquisition advertising for fast growth. In both cases, TrafficGuard was chosen after a rigorous procurement process that saw the effectiveness of our solution evaluated against a range of competing solutions. For more information, see <https://www.adveritas.com.au/>



About TrafficGuard

TrafficGuard is the world's first full funnel measurement, verification and fraud prevention solution for digital advertising. Operating in real time across all digital channels, TrafficGuard targets invalid traffic before it reaches your ad budget. Using TrafficGuard, marketers, agencies and ad networks can both detect and prevent invalid traffic in real time in order to maximise the return on their advertising and scale their business using real data. Trusted by global brands, TrafficGuard is a multiple award winning fraud prevention product recognised by The Drum, the Martech Breakthrough Awards 2020 and voted the Most effective anti fraud solution by Mobile Marketing 2020.

For more information about TrafficGuard's comprehensive fraud mitigation, see <https://www.trafficguard.ai>