

engage:BDR Limited

ACN 621 160 585

Supplementary Prospectus

This is a Supplementary Prospectus intended to be read in conjunction with the Replacement Prospectus dated 15 September 2017 relating to the Initial Public Offering of Shares and Options in engage:BDR Limited (ACN 621 160 585)

This is an important document. Please consult your professional adviser(s) if you have any questions. An investment in the Shares and Options offered by this Supplementary Prospectus should be regarded as speculative

1. IMPORTANT INFORMATION

This is a Supplementary Prospectus issued by engage:BDR Limited (ACN 621 160 585) (“engage:BDR” or “Company”) dated 21 September 2017 (“**Supplementary Prospectus**”) This Supplementary Prospectus is supplemental to the Replacement Prospectus (“**Prospectus**”) issued by the Company on 15 September 2017

The Supplementary Prospectus was lodged with the Australian Securities and Investment Commission (**ASIC**) on 21 September 2017. ASIC does not take any responsibility for the contents of this Supplementary Prospectus.

The Supplementary Prospectus must be read in conjunction with the Prospectus. If there is a conflict between the Prospectus and the Supplementary Prospectus, this Supplementary Prospectus will prevail to the extent of any inconsistency. Capitalised items in this Supplementary Prospectus will have the same meaning as those defined in the Prospectus.

The Company will send a copy of the Supplementary Prospectus to all Applicants who have applied for Shares and Options pursuant to the Prospectus prior to the date of this Supplementary Prospectus.

The Supplementary Prospectus will be issued with the Prospectus as an electronic document and may be downloaded from the Company’s website at www.engagebdrshareoffer.com.au.

This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not understand its contents.

2. PURPOSE OF THIS DOCUMENT

The purpose of this Supplementary Prospectus is to:

- 2.1 advise Shareholders of the Company’s revised capital raising plans and increased Offer size as a result of a high level of investor demand for the Company’s shares; and
- 2.2 provide revised disclosures regarding the capital structure and use of funds as a result of the increased Offer size.

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3. AMENDMENT TO THE PROSPECTUS

3.1 Revised Capital Raising Plans - Increased Offer Size

The Company issued a Prospectus to raise a minimum of \$4 million and a maximum of \$6 million

Subsequent to the issue of the Prospectus, the Company has experienced a high level of demand from Investors for the Company's Shares and attaching Options, which would potentially allow the maximum subscription under the Prospectus to be met and exceeded

Consequently, in view of the demand for the Company's Shares and Options, the Company has determined to increase the size of the Offer under the Prospectus

The Company now proposes to raise a minimum of \$4 million and a maximum of \$8 million with the ability to accept oversubscriptions for an additional \$2 million

The revised capital raising will be comprised of:

- (a) The \$6 million to be raised from the Prospectus dated 15 September 2017
- (b) The \$2 million to be raised from the Supplementary Prospectus dated 21 September 2017
- (c) The \$2 million to be raised from the oversubscription facility in the Supplementary Prospectus dated 21 September 2017 (**"Oversubscription Facility"**)

As noted in the Prospectus, the Company intended to undertake potential future capital raisings to fund the Company's activities and development and to fund potential acquisitions that the Company may chose to undertake in the future. The Company considers it beneficial to capitalise on the current level of investor demand by undertaking the further equity raising sooner than it had anticipated.

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3.2 Revised Use of Funds

As a result of the increased Offer size, the use of proceeds table in the Details of the Offer in Section 2.5 (as replicated in the Prospectus) is to be disregarded and replaced with the following table

Revised Use of Proceeds from Subscription Amount	Subscription Amount	Subscription Amount	Subscription Amount	Over Subscription Amount
	\$4,000,000	\$6,000,000	\$8,000,000	\$10,000,000
Existing Trade Creditors *	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000
Further Developing the Company's digital advertising and media business	\$250,000	\$500,000	\$1,000,000	\$1,500,000
Due Diligence and Acquisitions	\$250,000	\$500,000	\$1,000,000	\$1,500,000
Working Capital	\$1,536,000	\$2,414,000	\$3,296,000	\$4,176,000
Expenses of the Offer	\$464,000	\$586,000	\$704,000	\$824,000
Total Proceeds	\$4,000,000	\$6,000,000	\$8,000,000	\$10,000,000

- *The exact amount of payments to be made to these creditors and the timing of these payments is at the discretion of the Company*

3.3 Revised Capital Structure

As a result of the increased Offer size, the capital structure table in the Investment Overview Section and in the Details of the Offer in Section 2.4 of the Prospectus (as replicated in the Prospectus) is to be disregarded and replaced with the following table.

As at the date of this Supplementary Prospectus the issued share capital of the Company is 199,699,858 Shares and Nil Options. The capital structure following completion of the Offer (assuming the oversubscription amount is raised) is set out below.

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Revised Indicative Capital Structure	Minimum Subscription Under Prospectus dated 15 September 2017	Maximum Subscription Under Prospectus Dated 15 September 2017	Maximum Subscription Under Prospectus Dated 21 September 2017	Maximum Over subscriptions Under Dated 21 September 2017
	\$4,000,000	\$6,000,000	\$8,000,000	\$10,000,000
Existing Shares on Issue Pre IPO	199,699,858	199,699,858	199,699,858	199,699,858
Shares to be Issued under the Prospectus	20,000,000	30,000,000	40,000,000	50,000,000
Options to be Issued under the Prospectus	10,000,000	15,000,000	20,000,000	25,000,000
Total Shares on Issue on Listing	219,699,858	229,699,858	239,699,858	249,699,858
Total Options on Issue on Listing	15,000,000	20,000,000	25,000,000	30,000,000
Indicative Market Capitalisation on Listing	\$43.94m	\$45.94m	\$47.94m	\$49.94m

4. APPLICATIONS

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly there will be no withdrawal rights offered to investors who have made an application for Shares and Options prior to the date of this Supplementary Prospectus and no action needs to be taken if you have already applied for Shares and Options under the Prospectus.

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5. SUMMARY OF IMPORTANT DATES

There will be no change to the Important Dates set out in the Prospectus

The dates set out in the Important Dates section of the Prospectus are indicative only. The Company (in consultation with the Lead Manager) reserves the right to close the Offer early without prior notice, or vary, subject to the Corporations Act, any of the dates set out in the Prospectus, including extending the Closing Date. Investors who wish to submit an Application are encouraged to do so as soon as possible.

6. COMPANY WILL APPLY FOR QUOTATION OF ALL SHARES AND OPTIONS

The Company will apply for quotation of all Shares and Options offered under this Supplementary Prospectus within 7 days of the date of this Supplementary Prospectus

7. DIRECTORS AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgment of this Supplementary Prospectus with ASIC

Ted Dhanik
Executive Chairman

For and on behalf of
engage:BDR Limited

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