



**SEARCH
PARTY**

(RTO ALA.ASX)

Employment marketplace to grow \$300bn industry

Capital Raising Introduction
February 2016

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The world's first true employment marketplace

The search party is a global employment marketplace that includes recruiters in the employment process.

We're **growing at approx. 20% month on month across key metrics** and to date growth has been supported by a miniscule product and marketing budget.

How it works is simple:

- **Recruiters** advertise their candidate data. We already have **800 recruiters** and more than **15 million CVs** in the UK, Canada, Australia.
- **Employers** search and shortlist for their next employee in minutes using our data science and smarts. For employers it's free to join and they only pay a fee they've agreed when the candidate's been hired. We have more than 3,500 employers, growing at 20% month on month.
- **Recruiters screen and engage** candidates as they normally do.
- **Employers interview and hire** as they normally do but **600% faster and 60%+ cheaper!** Our fee is 20% of the recruiter's fee.

Our **strategy and execution plan is clear**. We understand how to acquire customers and the CAC is scalable, currently at approx. \$200 per new customer. The single largest barrier to explosive growth is capital so we're seeking to conclude our capital raise now up to approx. \$5m.

We have agreed a takeover offer from AppLabs, this is supported by The Search Party and has been released to the Market. This Capital raise into The Search Party is equivalent to buying ALA at 10c, and the relisting will occur early April.

Search Party leadership team



Ben Hutt

CEO & Managing Director

- Execution Focused International management consultant with 15 years' global experience
- 5 years consulting at Macquarie Group
- Strategic advisor for small businesses and charities including Opportunity International
- Marathon swimmer



Stuart Gatenby

Co-Founder , CTO & Director

- Over 15 years web and start up experience
- Clients included, P&G, Telstra and Intel
- Successful business builder in highly complex technical environments



Jason Shepherd

CFO

- Finance practitioner with 22 years experience in small cap tech, M&A, corporate/project finance, structured finance and capital markets
- Worked within commercial and investment banking, corporate and consulting.
- Facilitated the creation of the tech reverse takeover of Big Un Limited for Republic Gold



Magda Walczak

CMO, Product

- ROI-focused tech marketer with 14 years global experience in both B2B and B2C including Google, PayPal and Atlassian
- Implemented demand generation programs at Atlassian, Base CRM and startups of various stages
- Experienced in content marketing, SEO, PR and conversion optimisation

Non-exec. directors & advisory board

Non Executive Directors



Trevor Loewensohn, Chairman

- Managing Director Alceon
- Global Head of Capital Markets, Babcock & Brown
- Vice Chairman UBS
- Joint CEO JP Morgan



Josh Rogers, Director

- Marketplace specialist creating or advising 7 marketplaces including successful exit from Freelancer.com
- Previously MD of resource manager and corporate advisor Mitchell Morgan Group
- Two decades of significant technology startup experience including Comindico, Oriel Communications and Posse



Paul Bird

- Founder & CEO EP2 Payments
- Founder & Director Homestar Finance
- 10 years strategic development roles PBL Media

Current Advisors



James Synge

- Principal, Carthona Capital a leading Australian venture investor
- Current investments include Sparesbox, Ingogo, NeoClinical, oneAffiniti, PARts, Paratus Clinical, infirst Healthcare, Life 360, ABRA, Credible, HoneyBook, Peerspace and Airdog
- Previously Joint Global Head Structured Products Group UBS



Paul Lyons

- Director Heat HR Consulting
- Previously CEO and, Co-Founder Ambition Group
- Previously Asia Pacific Managing Director Michael Page

Pro-forma Capital Structure

Capital to be raised	Min \$2m	Max \$5.09m
ALA shares on issue at transaction*	60,561,754	60,561,754
TSP shares pre raise	1,309,115	1,309,115
Raised under this offer	<u>100,959</u>	<u>256,755</u>
Total	1,410,074	1,565,870
Equivalent in ALA shares after takeover	279,335,682	310,198,832
Total ALA shares after all transactions**	339,897,436	370,760,586
Market Capitalisation Post Transaction with AppLabs (@10c)	\$35.53m	\$38.62m
Enterprise Value Post Transaction with AppLabs (@10c)	\$30.33m	\$30.33m
Pro-forma Cash Post Transaction with AppLabs (@10c)	\$5.20m	\$8.29m

*42,119,920 listed ALAO options @25c expire May 2016, 30m unlisted options @15c expire 2018, 10m facilitation shares will be issued as part of the transaction

**Total shares differs by 930 TSP options which will be cancelled

Search Party versus some competing models

Hiring method (& registered users)	Description	Fast	Cheap	Active & Passive	Data Quality	Culture fit	SME market
Search Party (3,500 Employers)	<ul style="list-style-type: none"> Employer searches online pool, identifies great candidates, engages agencies at low fee to do all the screening and selling to the candidates on their behalf 						
Traditional Agency	<ul style="list-style-type: none"> Employer engages a recruiter (or panel) to identify, sell to and screen candidates for a role 						
Job boards (Seek, Monster)	<ul style="list-style-type: none"> Employer posts role to job board and active jobseekers apply. Employer does all the work screening and selling to candidates and is reliant on brand to attract good candidates 						
LinkedIn (c.31k Rec custs '14)	<ul style="list-style-type: none"> Employer searches, identifies and approaches candidate based on their public data. Employer does all the work themselves to identify and validate candidates, attract then screen them. 						
Reffind (c. 100 employers '15)	<ul style="list-style-type: none"> Internal referrals from employees 						
1Page (~\$450M EV)	<ul style="list-style-type: none"> HR search on 1Page's social media powered search engine and refer jobseekers. 						

To us, Recruiters are a crucial and valuable part of the employment process. Embracing them and providing a model for them to grow ensures our success.

Employment needs to evolve

- For **Employers**, hiring is often painful, slow and expensive.
- Many **Recruiters** are being challenged for scale, efficiency and profitability, particularly in our segment – low to mid-level white collar roles.
- **Job Seekers** are disempowered and uncomfortable when they are looking for jobs or being engaged for a new role.

The recruitment industry has been slow to adopt new technology

The marketplace creates value for all participants

- For **Employers**, it means hiring **6X faster***, at **60%+ less cost**** than traditional methods **without sacrificing quality**.
- For **Recruiters**, it means that they get new customers at no cost using their database of candidates. Search Party roles get placed with minimal effort growing their business and profitability.

Better for Employers, better for Recruiters.

*13 days on average with Search Party over 60 day industry average, 90 days in some geographies, based on Search Party research

**8% of salary average fee on Search Party vs up to 20% using traditional methods, based on Search Party research

Global recruitment currently \$300bn*

\$1T+ potential

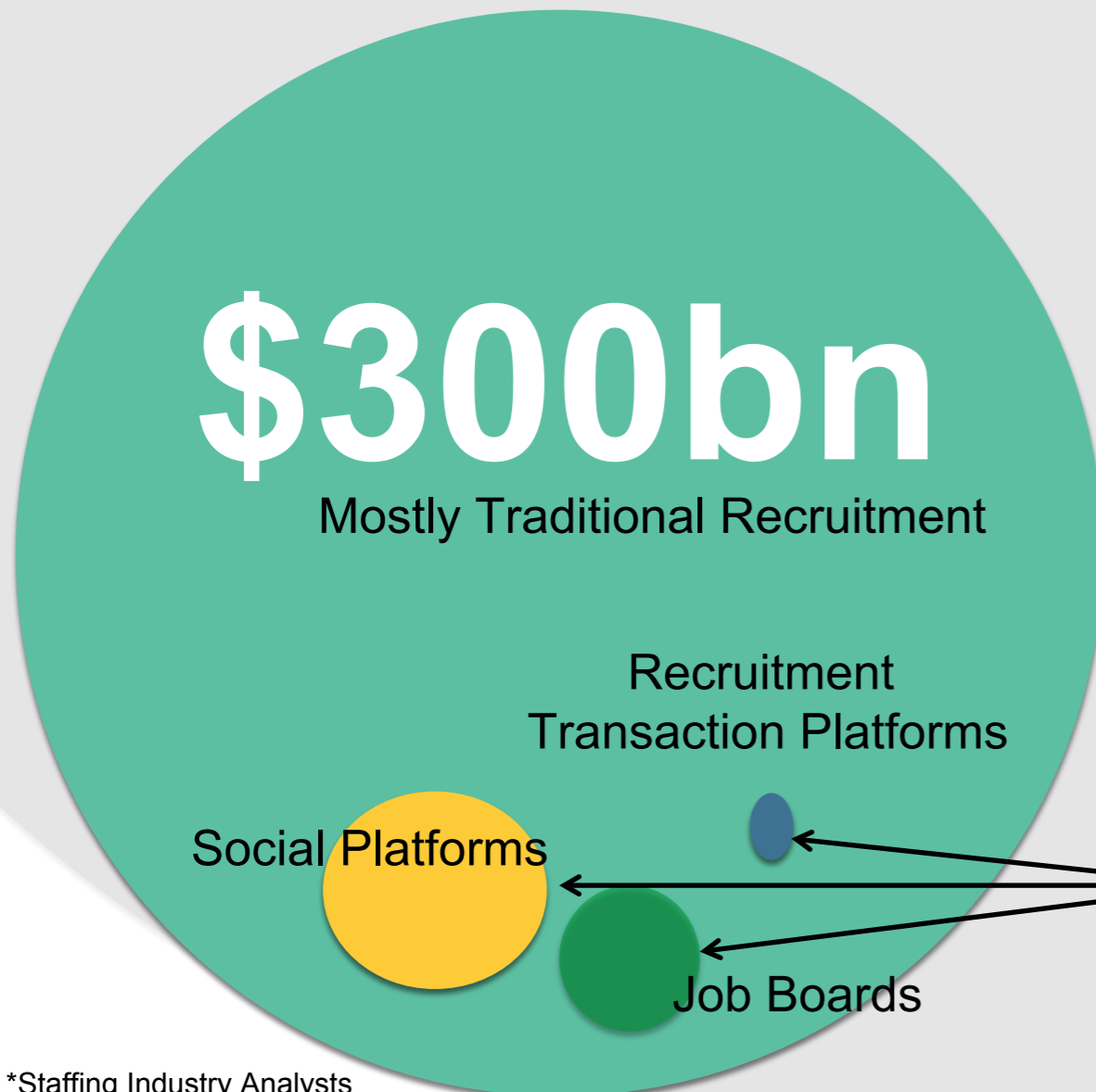
Marketplaces grow industries

Before eBay, global (non-real-estate) auction industry was probably worth only \$5bn. **Now? \$75bn.**

Other examples include AirBNB & Uber.

Recruitment's starting at \$300bn. And only \$9bn of that is currently online. **Its potential is well over \$1T***.**

We are focused on mid-market companies who need common roles filled quickly and cheaply (**vast majority**). Big companies use us too.



Only \$9bn* of industry value online (only 3%!)

*Staffing Industry Analysts

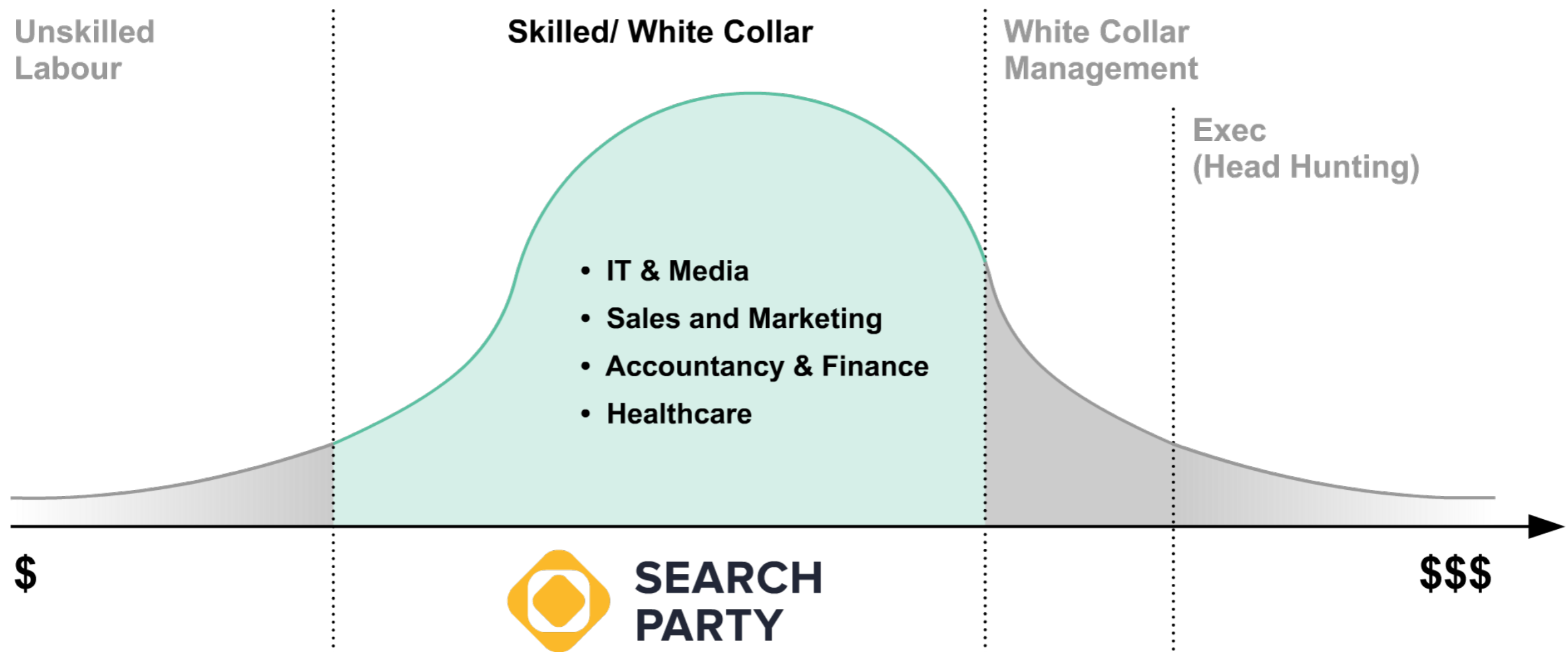
** Forbes

*** McKinsey, The social economy: Unlocking value & productivity through social technologies (2015)

SMEs need people quickly and cheaply

Most roles are currently placed via job boards. At a 20%+ recruiter fee, SMEs cannot justify the higher cost of recruitment led by a Recruiter.

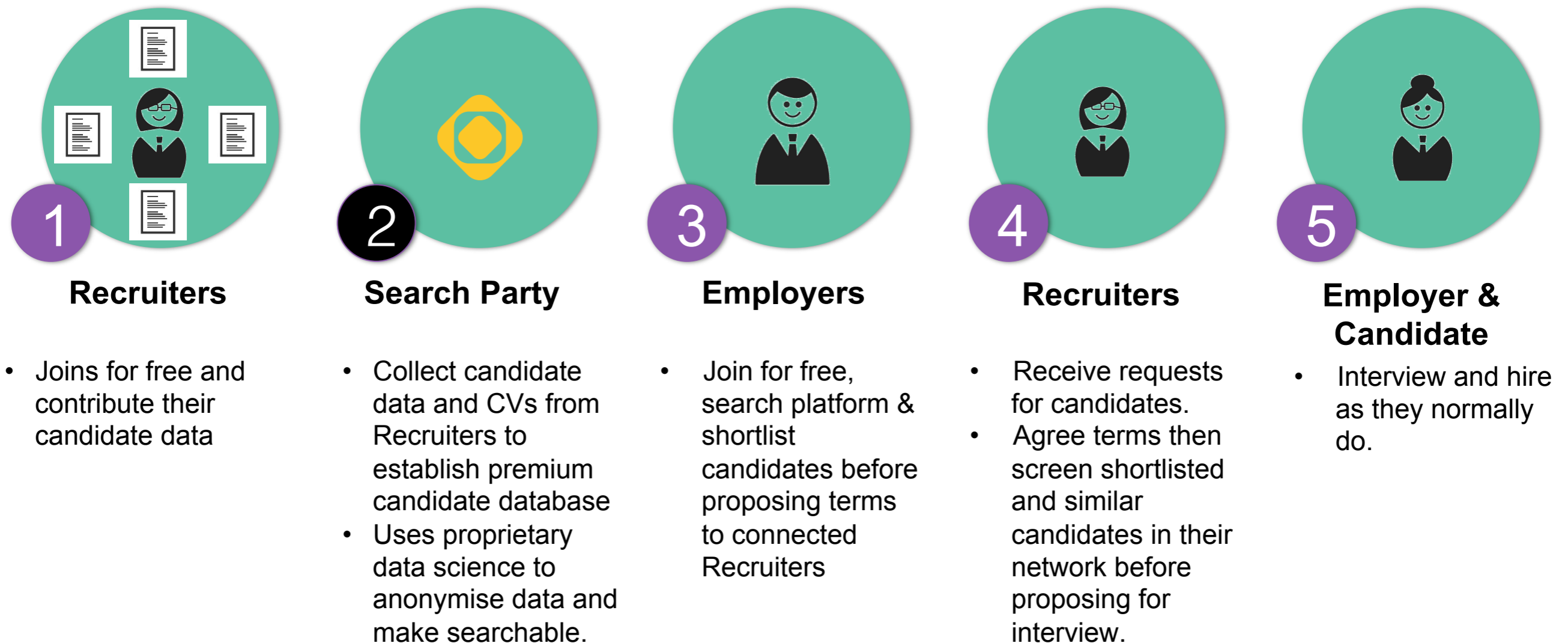
With Recruiter fees at approx. 8% of base salary we are getting real traction



How it works

Our employment marketplace enables employers and recruiters to interact in a way that's intuitive and familiar.

Adoption is easy, efficient, financially beneficial and in the best interests of candidates.



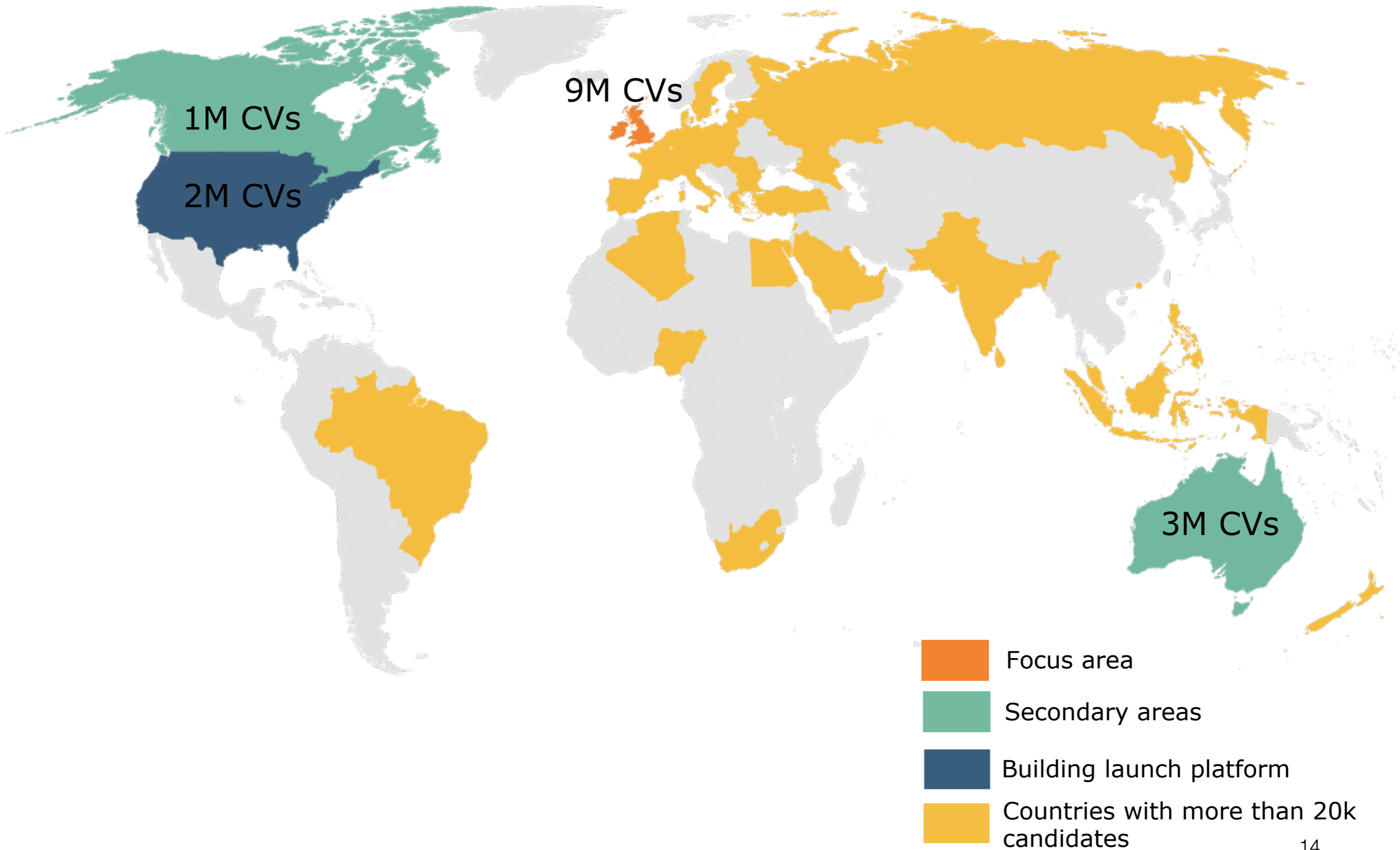
We earn 20% of the Recruiter fee when a candidate gets hired

Search Party Global Footprint

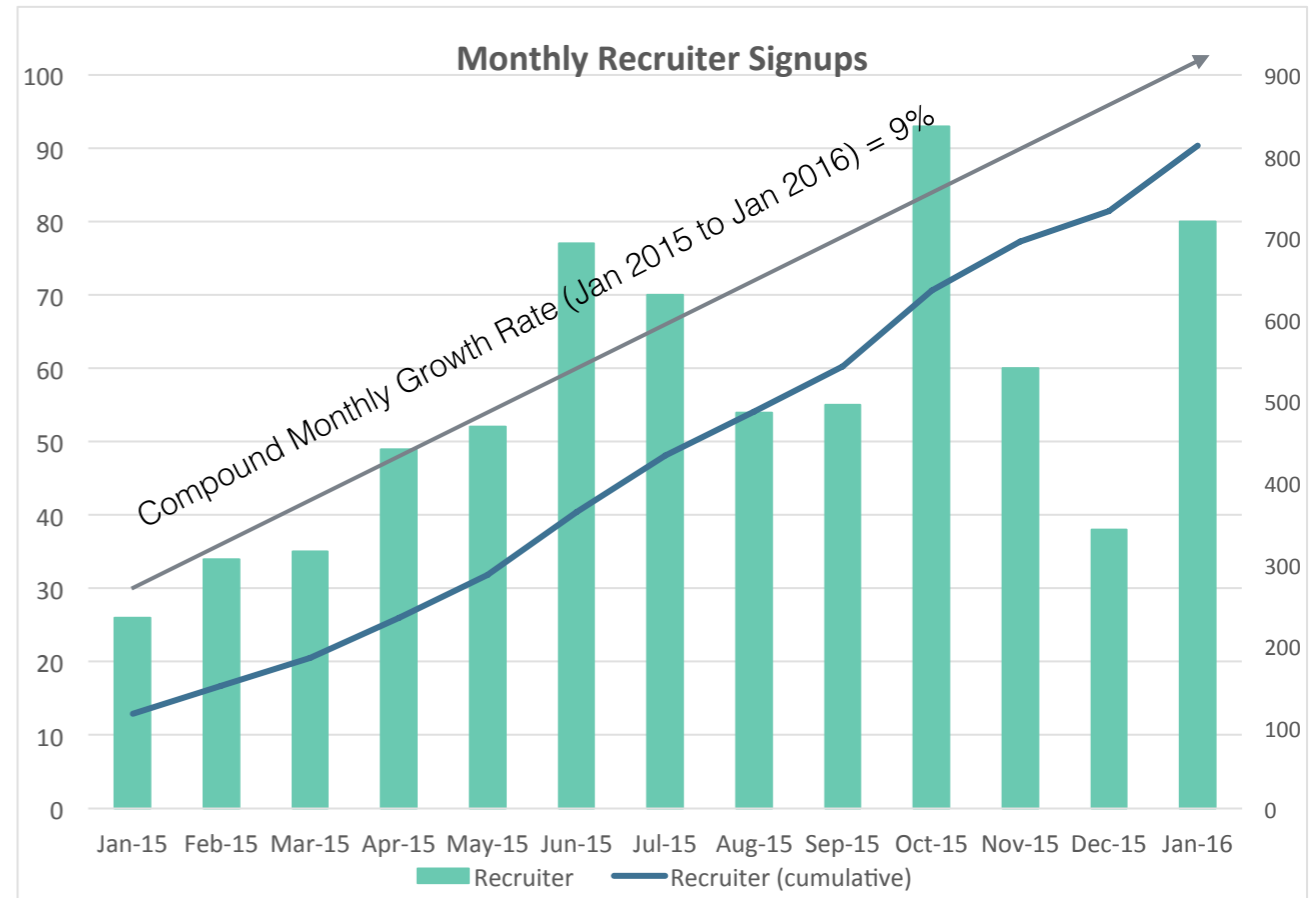
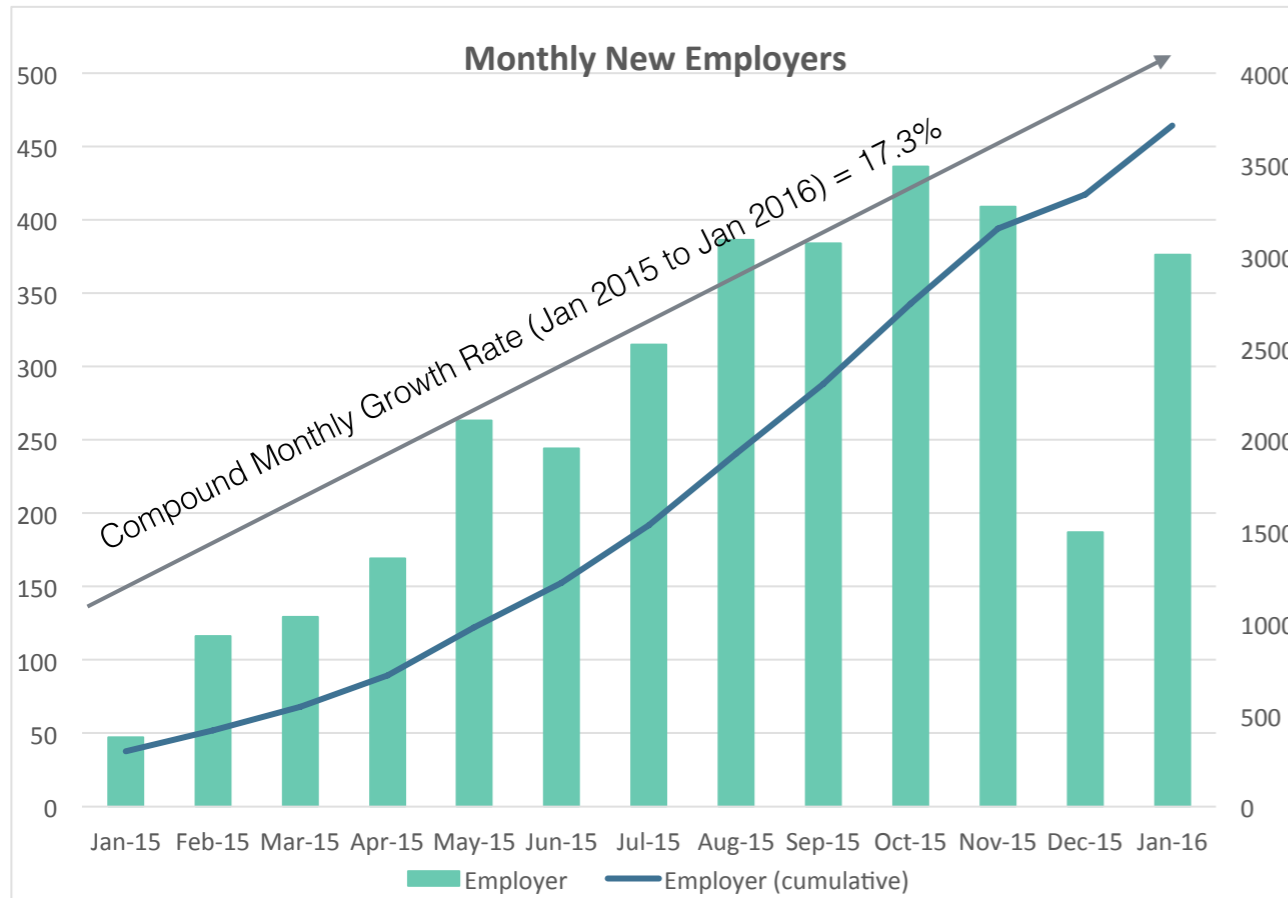
	UK	Australia	Canada	Total
Launch	2014	2014	2015	n/a
No. Employer Companies as at end January 2016	1350	1039	333	2722
Monthly growth in employers from January 2015 to January 2016	29%	19%	100% * From July 2015	17%
No. Recruitment agencies as at end January 2016	238	360	78	676

Launching a new country involves securing recruitment partners and then marketing to employers. We have a proven formula for both.

Candidate pool growing with more than 15m CVs



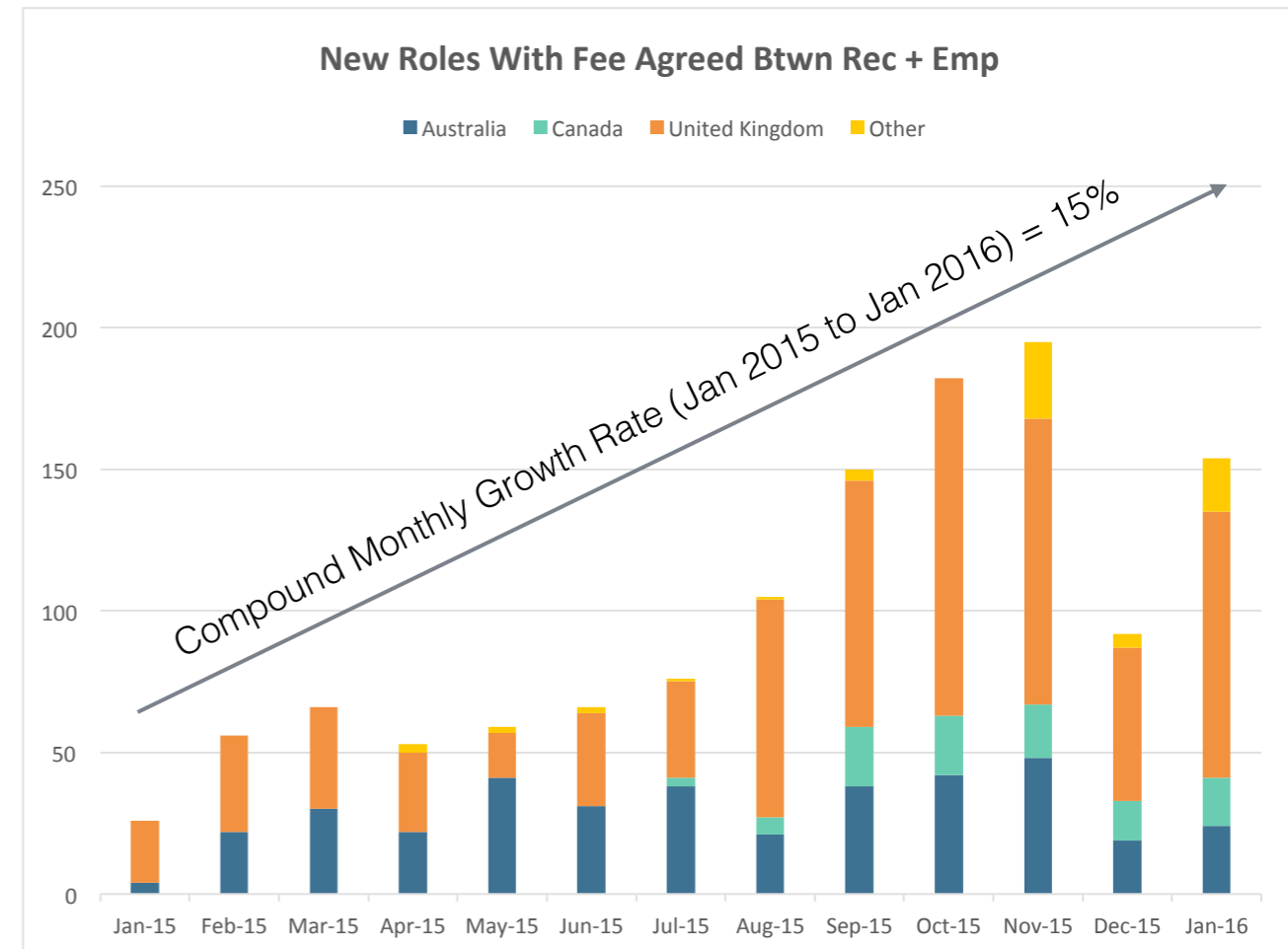
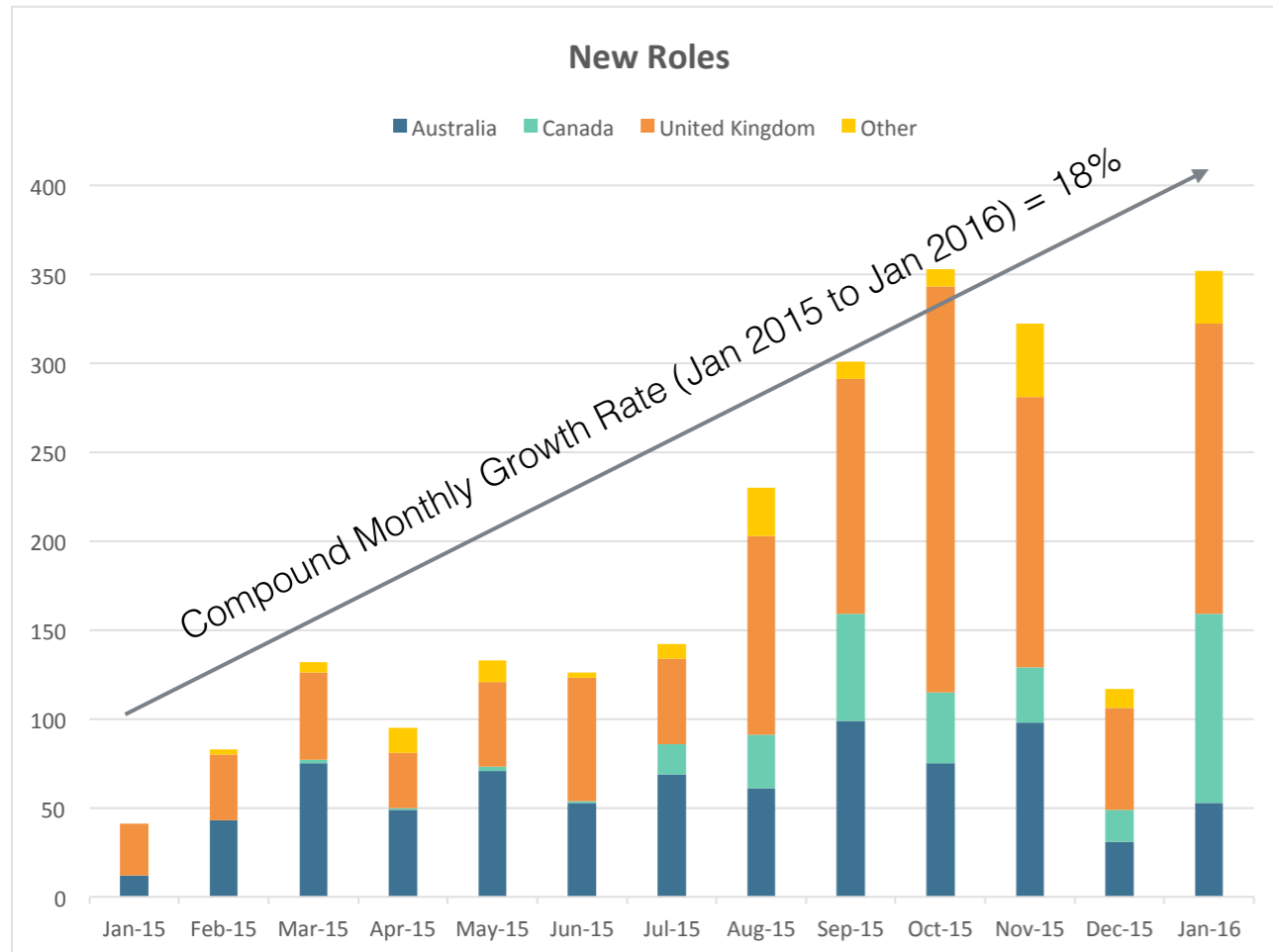
Employer growth 17% compounding monthly



- Employer signups continue to grow month on month despite not spending more money on marketing
- Growth showing strong indication that Employer focused Marketing and Sales activities are working well and scalable
- Expected seasonality impacts are seen in Dec and Jan 2016

- No marketing focus on Recruiters currently (these are organic)
- Agencies signing themselves up and loading candidate data
- Strong start to 2016 with lots of interest from recruiters

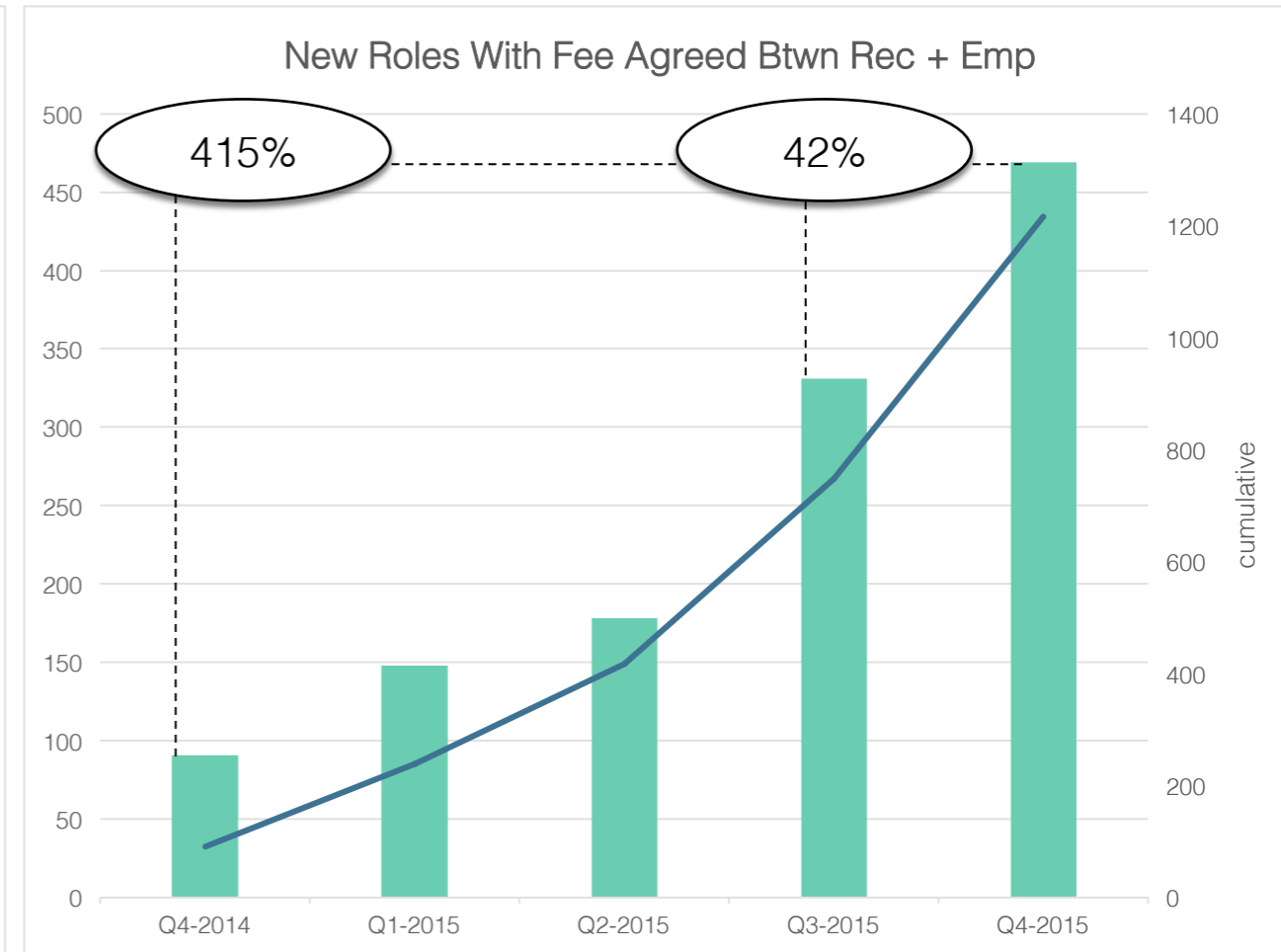
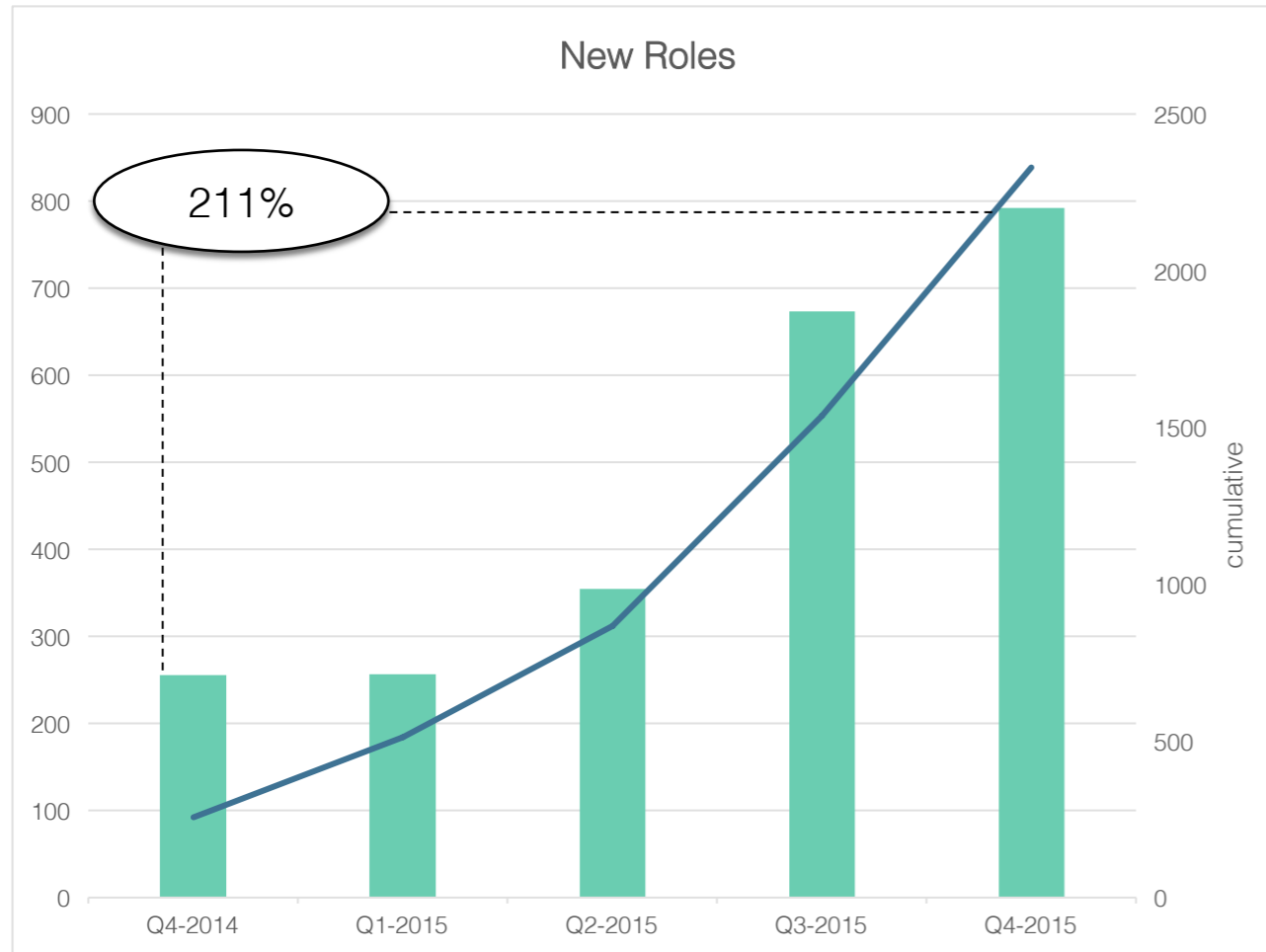
New roles growing 18% monthly



- Strong demand and increasing engagement from Employers

- Strong growth in the UK demonstrating engagement from the recruiter community
- Key focus remains ensuring increasing acceptance of roles from Recruiters (see cohort analysis)

Q4 Agreed Fee Volume up 42% on Q3



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Search Party and JobAdvisor

- The JobAdvisor acquisition which was completed in September was a major strategic step in supporting the growth and effectiveness of the ecosystem. It will be extended in the next phase
- JobAdvisor is a platform that helps employers tell their story in an open, transparent and honest way. It allows job seekers to compare them side by side.

Benefits to employers:

- ✓ Collecting feedback from employees creates ‘**social proof**’ which employers leverage to improve their ability to hire through all recruitment channels.
- ✓ Setting expectations right up front results in stronger employee engagement and retention.
- ✓ Helps former colleagues connect, creating stickiness and potential referral value in the future and provides a Job Board framework.

Use of funds

1 Marketing

- Increase online marketing scale and efficiency
- Content marketing for repeatable lead generation and SEO
- Referral program for both employers and recruiters
- Leveraging data science to build brand awareness and trust

2 Sales

- Grow sales teams in each jurisdiction
- Distribution partnerships in specialized verticals
- Enterprise sales in key sectors

3 Platform Enhancements

- Improvements to conversion in funnel are top priority
- Increase platform utility (and SEO value) for employers
- Start to activate our 15m+ candidate database with candidate features

4 JobAdvisor

- Roll out JobAdvisor Culture matching and employer branding site in Search Party markets + ready for new markets
- Integrate into Search Party

5 Split of next 12 months spend

- Marketing (30%), Sales (25%), Engineering & Data Science (26%),
- Overhead & Operations (19%)

In summary...

- We are focused on becoming **the dominant and only true marketplace** for the employment sector.
- We are looking to raise growth capital to support the next leg of our growth.
- Expansion to the USA not planned until post Q3 2016 and will be supported by strong local partnerships.
- Comparable values for peers (e.g. 1-Page) support **substantial upside** potential for investors in this round.

Contact Details

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