

LIVEDEAL INC  
Form 424B5  
January 08, 2014

**FILED PURSUANT TO RULE 424(b)(5)  
REGISTRATION NO. 333-187397**

PROSPECTUS SUPPLEMENT  
(to Prospectus dated May 16, 2013)

**660,000 shares of Common Stock**

We have entered into an engagement agreement with Chardan Capital Markets, LLC relating to the sale of shares of our common stock offered by this prospectus supplement and the accompanying prospectus. In accordance with the terms of the engagement agreement, we may offer and sell up to a maximum aggregate amount of 660,000 shares of our common stock, \$0.001 par value per share, from time to time through Chardan, acting as agent.

Our common stock is traded on The NASDAQ Capital Market under the symbol "LIVE." The last reported sale price of our common stock on January 7, 2014 was \$9.35 per share.

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus will be made by any method permitted that is deemed an "at the market" offering as defined in Rule 415 under the Securities Act of 1933, as amended, or the Securities Act, including by means of ordinary brokers' transactions at market prices, in block transactions or as otherwise agreed by Chardan and us. Chardan will act as our sales agent using commercially reasonable efforts consistent with its normal trading and sales practices. There is no arrangement for funds to be received in any escrow, trust or similar arrangement.

Chardan will be entitled to compensation at a commission rate of up to 3% of the gross sales price per share sold. The net proceeds to us that we receive from sales of our common stock will depend on the number of shares actually sold and the offering price for such shares. We are limited to the sale of not more than 660,000 shares of our common stock pursuant to the engagement agreement. Based on the trading price of our common stock and because there is no minimum offering amount provided for under the engagement agreement, we may not be able to sell all 660,000 shares offered hereby. The actual proceeds to us will vary.

In connection with the sale of the common stock on our behalf, Chardan may be deemed to be an "underwriter" within the meaning of the Securities Act and the compensation of Chardan may be deemed to be underwriting commissions or discounts. We have also agreed to provide indemnification and contribution to Chardan with respect to certain liabilities, including liabilities under the Securities Act.

Investing in these securities involves a high degree of risk. Before buying shares of our common stock, you should carefully consider the risk factors described in “Risk Factors” beginning on page S-6 of this prospectus supplement and in the documents incorporated by reference into this prospectus supplement and any free writing prospectus that we have authorized for use in connection with this offering.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus supplement and the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

**Chardan Capital Markets, LLC**

The date of this prospectus supplement is January 7, 2014

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## ABOUT THIS PROSPECTUS SUPPLEMENT

You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus that we have authorized for use in connection with this offering. We have not, and Chardan has not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and Chardan is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted or in which the person making that offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, and any free writing prospectus that we have authorized for use in connection with this offering, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus supplement, the accompanying prospectus, the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, and any free writing prospectus that we have authorized for use in connection with this offering, in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus supplement entitled “Where You Can Find Additional Information About Us” and “Incorporation of Certain Documents by Reference.”

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus dated May 16, 2013, including the documents incorporated by reference therein, provides more general information, some of which may not apply to this offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or in any document incorporated by reference that was filed with the Securities and Exchange Commission, or SEC, before the date of this prospectus supplement, on the other hand, you should rely on the information in this prospectus supplement. If any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document incorporated by reference in the accompanying prospectus—the statement in the document having the later date modifies or supersedes the earlier statement.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to any document that is incorporated by reference into the accompanying prospectus were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreement, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

Unless otherwise indicated in this prospectus or the context otherwise requires, all references to “we,” “us,” “our,” “the Company,” and “LiveDeal” refer to LiveDeal, Inc. and its subsidiaries.

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## PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary does not contain all of the information that you should consider before deciding to invest in our common stock. You should read this entire prospectus supplement and the accompanying prospectus carefully, including the “Risk Factors” section contained in this prospectus supplement and the accompanying prospectus, our consolidated financial statements and the related notes thereto and the other documents incorporated by reference in this prospectus supplement and in the accompanying prospectus*

### Our Company

We provide marketing solutions that boost customer awareness and merchant visibility on the internet for small-to-medium sized local businesses (SMBs). In 2012, under new management and after re-evaluating our programs, we launched two new business lines. In November 2012, we commenced the sale of marketing tools that help local businesses manage their online presence under our Velocity Local(TM) brand, which we refer to as online presence marketing. In August 2012, we commenced sourcing local deal and activities to strategic publishing partners under our LiveDeal(R) brand, which we refer to as promotional marketing. We continue to actively develop, revise and evaluate these products and services and our marketing strategies and procedures. We continue to generate most of our revenue from servicing our existing customers under our legacy product offerings, primarily our InstantProfile(R) line of products and services. Because of the change in our business strategy and product lines, we no longer accept new customers under our legacy product offerings.

We are in the process of developing and marketing a suite of products and services designed to meet the online marketing needs of SMBs at affordable prices, including online presence marketing, mobile web apps, traditional website design, content marketing, social media marketing and promotional marketing using established strategic publishing partners. Our target customers are SMB owners who work long hours to deliver real value to their customers in their own communities without the time or expertise to develop the powerful, multi-faceted, online marketing and advertising programs necessary for successful online marketing. Our offerings draw on a decade of experience servicing SMBs in the internet technology environment.

In September 2013, we announced a new business strategy and direction with the launch of LiveDeal.com. LiveDeal.com is a unique, real-time “deal engine” that connects merchants with nearby consumers in real-time. The Company believes that it has the only web/mobile platform that provides restaurants with full control and flexibility to instantly publish customized offers whenever they wish to attract customers. Highlights of the new LiveDeal.com platform, include:

A user-friendly interface enabling restaurants to create limited-time offers and publish them immediately, or on a preset schedule that is fully customizable;

State-of-the-art scheduling technology giving restaurants the freedom to choose the days, times and duration of the offers, enabling them to create offers that entice consumers to visit their establishment during their slower periods;

Advanced publishing options allowing restaurants to manage traffic by limiting the number of available vouchers to consumers;

Superior geo-location technology allowing multi-location restaurants to segment offers by location, attracting customers to slower locations while eliminating potential over-crowding at busier sites; and

A user-friendly mobile and desktop web interface allowing consumers to easily browse, download, and instantly redeem 'live' offers found on LiveDeal.com based on their location.

Because of the infancy of our new lines of business, we have yet to generate significant revenue from our online presence marketing or our promotional marketing lines of business. Given that we have not been accepting new customers for our legacy product offerings since July 2011 and that we did not launch our new product offerings until August 2012, our revenues have declined in the three and nine months ending June 30, 2013 as compared to three and nine months ending June 30, 2012.



## Recent Developments

On January 7, 2014, the Company entered into a Note Purchase Agreement (“Purchase Agreement”) with Kingston Diversified Holdings LLC (the “Investor”), pursuant to which the Investor agreed to purchase for cash up to \$5,000,000 in aggregate principal amount of the Company’s Convertible Notes (“Notes”). The Purchase Agreement and the Notes, which are unsecured, provide that all amounts payable by the Company to the Investor under the Notes will be due and payable on the second (2nd) anniversary of the date of the Purchase Agreement (the “Maturity Date”).

The Purchase Agreement and the Notes provide that:

- Either the Company or the Investor will have the right to cause the sale and issuance of Notes pursuant to the Purchase Agreement, provided that NASDAQ’s approval of the Purchase Agreement and transactions contemplated thereby is a condition precedent to each party’s right to cause any borrowings to occur under the Purchase Agreement.
- Each Note must be in a principal amount of at least \$100,000.
- The Notes are issuable at a 5% discount and will accrue interest at an annual interest rate equal to 8%. All interest will be payable on the Maturity Date or upon the conversion of the applicable Note.
- The Company has the option to prepay each Note, in whole or in part, at any time without premium or penalty.
- Either the Company or the Investor may elect at any time on or before the Maturity Date to convert the principal and accrued but unpaid interest due under any Note into shares of the Company’s common stock. The conversion price applicable to any such conversion will be an amount equal to 70% of the lesser of: (i) the closing bid price of the common stock on the date of the Purchase Agreement (i.e., \$9.35 per share); or (ii) the 10-day volume weighted average closing bid price for the common stock, as listed on NASDAQ for the 10 business days immediately preceding the date of conversion (the “Average Price”); provided, however, that in no event will the Average Price per share be less than \$1.00. For example, if the Average Price is \$0.50 per share, then for purposes of calculating the conversion price, the Average Price per share would be \$1.00 per share instead of \$0.50 per share. The Investor’s right to convert the Principal due and payable under this Note into shares of Common Stock is expressly subject to obtaining approval of company stockholders.

- If either party elects to convert all or any portion of any Note, the Company must issue to the Investor on the date of the conversion a warrant (“Contingent Warrant”) to purchase a number of shares of the Company’s common stock equal to the number of shares issuable upon conversion. This number of shares is subject to adjustment in the event of stock splits or combinations, stock dividends, certain pro rata distributions, and certain fundamental transactions. Each Contingent Warrant will be exercisable for a period of five (5) years following the date of its issuance at an exercise price equal to 110% of the conversion price of the applicable Note (with the exercise price being subject to adjustment under the same conditions as the number of shares for which the warrant is exercisable.) The Contingent Warrants provide that they may be exercised in whole or in part and include a cashless exercise feature.

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- The Notes provide that, upon the occurrence of any Event of Default, all amounts payable to the Investor will become immediately due and payable without any demand or notice. The events of default (“Events of Default”) which trigger the acceleration of the Notes include (among other things): (i) the Company’s failure to make any payment required under the Notes when due (subject to a three-day cure period), (ii) the Company’s failure to comply with its covenants and agreements under the Purchase Agreement, the Notes and any other transaction documents, and (iii) the occurrence of a change of control with respect to the Company.
- The Company (i) is required to provide certain financial and other information to the Investor from time to time, (ii) must maintain its corporate existence, business, assets, properties, insurance and records in accordance with the requirements set forth in the Purchase Agreement, (iii) with certain exceptions, must not incur or suffer to exist any liens or other encumbrances with respect to the Company’s property or assets, (iv) must not make certain loans or investments except in compliance with the terms of the Purchase Agreement, and (v) must not enter into certain types of transactions, including dispositions of its assets or business.
- The Company agreed to use commercially reasonable efforts to obtain, as promptly as practicable, any approvals of the Company’s stockholders required under applicable law or NASDAQ Listing Rules in connection with the transactions contemplated by the Purchase Agreement. Unless and until any such stockholder approvals are obtained, in no event will the Investor be entitled to convert any Notes and/or exercise any Contingent Warrants to the extent that any such conversion or exercise would result in the Investor acquiring in such transactions a number of shares of the Company’s common stock exceeding 19.99% of the number of shares of common stock issued and outstanding immediately prior to the Company’s entry into the Purchase Agreement.
- The Investor will be entitled to certain anti-dilution adjustments if the Company issues shares of its common stock at a lower price per share than the applicable conversion price for any Note(s) issued pursuant to the Purchase Agreement. If any such dilutive issuance occurs prior to the conversion of one or more Notes, the conversion price for such Note(s) will be adjusted downward pursuant to its terms (subject to a floor of \$0.70 per share). If any such dilutive issuance occurs after the conversion of one or more Notes, the Investor will be entitled to be issued additional shares of common stock for no consideration, and to an adjustment of the exercise price payable under the applicable Contingent Warrant(s). With respect to each Note actually issued pursuant to the Purchase Agreement, the Investor’s anti-dilution rights will expire two (2) years following the date of issuance.

Our principal executive offices are located at 6240 McLeod Drive, Suite 120, Las Vegas, Nevada 89120, (702) 939-0230.

## The Offering

Common stock offered by us pursuant to this prospectus supplement Up to 660,000 shares of our common stock

Common Stock outstanding before the offering 3,515,679 shares

Common Stock to be outstanding after the offering if all shares are sold Up to 4,175,679 shares

Manner of offering “At-the-market offering” that may be made from time to time on The NASDAQ Capital Market or other market for our common stock in the U.S. through our agent, Chardan Capital Markets, LLC. Chardan will make all sales using commercially reasonable efforts consistent with its normal trading and sales practices, on mutually agreeable terms between the sales agent and us. See “Plan of Distribution.”

Use of proceeds We intend to use the net proceeds of this offering for our operations, including, but not limited to, general corporate purposes, which may include, but is not limited to, working capital, capital expenditures, research and development expenditures and acquisitions of new technologies or businesses. See the section entitled “Use of Proceeds” below.

Risk factors See “Risk Factors” beginning on page S-6 and the other information included in, or incorporated by reference into, this prospectus for a discussion of certain factors you should carefully consider before deciding to invest in shares of our common stock.

NASDAQ Capital Market symbol LIVE

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## RISK FACTORS

Investment in our common stock involves risks. Before deciding whether to invest in our common stock, you should consider carefully the risk factors discussed below and those contained in the section entitled “Risk Factors” contained in our Annual Report on Form 10-K for the year ended September 30, 2012, which is incorporated herein by reference in its entirety, as well as any amendment or update to our risk factors reflected in subsequent filings with the SEC. If any of the risks or uncertainties described in our SEC filings actually occurs, our business, financial condition, results of operations or cash flow could be materially and adversely affected. This could cause the trading price of our common stock to decline, resulting in a loss of all or part of your investment. The risks and uncertainties we have described are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations.

### Risks Associated with this Offering

We have broad discretion in the use of the net proceeds of this offering and may not use them effectively.

We intend to use the net proceeds from this offering for general corporate purposes, which may include, but is not limited to, working capital, capital expenditures, research and development expenditures and acquisitions of new technologies or businesses. However, our management will have broad discretion in the application of the net proceeds from this offering and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our common stock. The failure by management to apply these funds effectively could result in financial losses that could have a material adverse effect on our business, cause the price of our common stock to decline and delay the development of our product candidates.

You may experience immediate and substantial dilution in the book value per share of the common stock you purchase.

Because the prices per share at which shares of our common stock are sold in this offering may be substantially higher than the book value per share of our common stock, you may suffer immediate and substantial dilution in the net tangible book value of the common stock you purchase in this offering. The shares sold in this offering, if any, will be sold from time to time at various prices. After giving effect to the sale of the maximum aggregate offering amount of 660,000 shares of our common stock at an assumed offering price of \$9.35 per share, the last reported sale price of our common stock on The NASDAQ Capital Market on January 7, 2014, and after deducting estimated offering commissions payable by us, our net tangible book value as of June 30, 2013 would have been approximately \$7.2 million, or \$1.72 per share of common stock. This represents an immediate increase in the net tangible book value of \$1.45 per share to our existing stockholders and an immediate and substantial dilution in net tangible book value of

\$7.64 per share to new investors who purchase our common stock in the offering. See “Dilution” for a more detailed discussion of the dilution you may incur in connection with this offering.

Sales of a significant number of shares of our common stock in the public markets, or the perception that such sales could occur, could depress the market price of our common stock.

Sales of a substantial number of shares of our common stock in the public markets could depress the market price of our common stock and impair our ability to raise capital through the sale of additional equity securities. We cannot predict the effect that future sales of our common stock would have on the market price of our common stock.

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## FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference herein, may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements, which are often characterized by the terms “may,” “believes,” “projects,” “expects,” “plans”, or “anticipates,” do not reflect historical facts but instead are based on our current assumptions and predictions regarding future events, such as business and financial performance. Specific forward-looking statements contained in this prospectus supplement (including such documents incorporated by reference herein) include, but are not limited to, our (i) belief in the continued growth of internet usage, particularly via mobile devices, and demand for web-based marketing; (ii) belief in the continued growth in the demand for local search and information, (iii) belief that small and medium businesses will continue to outsource their online marketing efforts to third parties; (iv) belief that the cash on hand and additional cash generated from operations together with potential sources of cash through issuance of debt or equity will provide the company with sufficient liquidity for the next 12 months; and (v) belief that the outcome of pending legal proceedings will not have a material adverse effect on business, financial position and results of operations, cash flow or liquidity.

You should read this prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference herein and therein and have filed as exhibits to the registration statement, of which this prospectus supplement and the accompanying prospectus is part, completely and with the understanding that our actual future results may be materially different from what we concurrently expect. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and any document incorporated herein and therein by reference is accurate as of its date only. Because the risk factors referred to in this prospectus supplement and the accompanying prospectus could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made by us or on our behalf, you should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict which factors will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of the information presented in this prospectus supplement, the accompanying prospectus and any document incorporated herein and therein by reference, and particularly our forward-looking statements, by these cautionary statements.



## USE OF PROCEEDS

After giving effect to the sale of the maximum aggregate offering amount of 660,000 shares of our common stock at an assumed offering price of \$9.35 per share, the last reported sale price of our common stock on The NASDAQ Capital Market on January 6, 2014, we estimate that the maximum potential net proceeds we will receive from this offering will be approximately \$5,800,000, after deducting the agent's fees and estimated offering expenses. However, we cannot guarantee if or when these net proceeds will be received. The amount of proceeds from this offering will depend upon the number of shares of our common stock sold and the market price at which they are sold. There can be no assurance that we will be able to sell any shares under or fully utilize the engagement letter with Chardan as a source of financing.

We intend to use the net proceeds of this offering for our operations, including, but not limited to, general corporate purposes, which may include, but is not limited to, working capital, capital expenditures, research and development expenditures and acquisitions of new technologies or businesses. The precise amount, use and timing of the application of such proceeds will depend upon our funding requirements and the availability and cost of other capital. Pending application of the net proceeds as described above, we intend to invest the net proceeds of the offering in short-term, investment-grade, interest-bearing securities.

## DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the price per share you pay in this offering and the net tangible book value per share of our common stock immediately after this offering. Our net tangible book value of our common stock as of June 30, 2013 was approximately \$1.0 million, or approximately \$0.27 per share of common stock based upon 3,515,679 million shares outstanding. Net tangible book value per share is equal to our total tangible assets, less our total liabilities, divided by the total number of shares outstanding as of June 30, 2013.

After giving effect to the sale of up to a maximum aggregate amount of 660,000 shares of our common stock in the at an assumed offering price of \$9.35 per share, the last reported sale price of our common stock on The NASDAQ Capital Market on January 7, 2014, and after deducting estimated offering commissions payable by us, our net tangible book value as of June 30, 2013 would have been approximately \$7.2 million, or approximately \$1.72 per share of common stock. This represents an immediate increase in net tangible book value of approximately \$1.45 per share to our existing stockholders and an immediate dilution in net tangible book value of approximately \$7.64 per share to new investors in this offering.

The following table illustrates this calculation on a per share basis:

Assumed offering price per share	\$9.35
Net tangible book value per share	\$0.27
Increase in net tangible book value per share attributable to the offering	\$1.45
As-adjusted net tangible book value per share after giving effect to the offering	\$1.72
Dilution in net tangible book value per share to new investors	\$7.64

The number of shares of our common stock to be outstanding immediately after this offering is based on 3,515,679 shares of our common stock outstanding as of June 30, 2013. The number of shares outstanding as of June 30, 2013 excludes:

- 955,502 shares issuable upon exercise of outstanding warrants with a weighted average exercise price of \$1.90; and
- 225,000 shares issuable upon exercise of outstanding options with a weighted average exercise price of \$8.47.

The foregoing table does not give effect to the exercise of any such outstanding options or warrants. To the extent options and warrants are exercised, there may be further dilution to new investors.

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## DIVIDEND POLICY

We have one class of authorized preferred stock (Series E Preferred Stock), of which there are currently 127,840 shares issued and outstanding. Each share of Series E Preferred Stock is entitled to and receives a dividend of \$0.015 per year. At June 30, 2013, we had accrued but unpaid dividends totaling approximately \$1,438.

Presently, we do not pay dividends on our common stock. The timing and amount of future dividend payments on our common stock, if any, will be determined by our Board of Directors based upon our earnings, capital requirements and financial position, general economic conditions, alternative uses of capital, and other pertinent factors.

## PLAN OF DISTRIBUTION

We have entered into an engagement agreement with Chardan under which we may issue and sell up to a maximum aggregate amount of 660,000 shares of our common stock from time to time through Chardan acting as agent, subject to certain limitations, including the number of shares registered under the registration statement to which this prospectus supplement relates. The engagement agreement will be filed as an exhibit to a report filed under the Exchange Act and incorporated by reference in this prospectus supplement. The sales, if any, of shares made under the engagement agreement will be made by any method that is deemed an “at-the-market” offering as defined in Rule 415 promulgated under the Securities Act, including by means of ordinary brokers’ transactions at market prices, in block transactions or as otherwise agreed by Chardan and us. We may instruct Chardan not to sell common stock if the sales cannot be effected at or above the price designated by us from time to time. We or Chardan may suspend the offering of common stock upon notice and subject to other conditions. As an agent, Chardan will not engage in any transactions that stabilize the price of our common stock.

Each time we wish to issue and sell common stock under the engagement agreement, we will notify Chardan of the number of shares to be issued, the dates on which such sales are anticipated to be made, any minimum price below which sales may not be made and other sales parameters as we deem appropriate. Once we have so instructed Chardan, unless Chardan declines to accept the terms of the notice, Chardan has agreed to use its commercially reasonable efforts consistent with its normal trading and sales practices to sell such shares up to the amount specified on such terms. The obligations of Chardan under the engagement agreement to sell our common stock is subject to a number of conditions that we must meet.

We will pay Chardan commissions for its services in acting as agent in the sale of common stock. Chardan will be entitled to a commission equal to 3.0% of the gross proceeds from the sale of the common stock offered hereby. In addition, we have agreed to reimburse certain expenses of Chardan in an amount not to exceed \$15,000. We estimate that the total expenses for the offering, excluding compensation payable to Chardan under the terms of the sales agreement, will be approximately \$200,000.

The following table sets forth, for illustrative purposes, the total commissions payable by us to Chardan based on specified aggregate offering amounts:

<b><u>Offering Amount</u></b>	<b><u>Commission</u></b>
\$1,000,000	\$30,000
\$2,000,000	\$60,000
\$3,000,000	\$90,000

Settlement for sales of common stock will occur on the third business day following the date on which any sales are made, or on some other date that is agreed upon by us and Chardan in connection with a particular transaction, in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

In connection with the sale of the common stock on our behalf, Chardan may, and will with respect to sales effected in an “at the market offering,” be deemed to be an “underwriter” within the meaning of the Securities Act and the compensation of Chardan may be deemed to be underwriting commissions or discounts. We have agreed to provide indemnification and contribution to Chardan against certain civil liabilities, including liabilities under the Securities Act. We have also agreed to reimburse Chardan for certain other specified expenses.

The offering pursuant to the Engagement Agreement will terminate upon the sale of all shares of common stock subject to the engagement agreement.

Chardan and its affiliates may in the future provide various investment banking and other financial services for us and our affiliates, for which services they may in the future receive customary fees. To the extent required by Regulation M, Chardan will not engage in any market making activities involving our common stock while the offering is ongoing under this prospectus supplement.

This is a brief summary of the material provisions of the engagement agreement and does not purport to be a complete statement of its terms and conditions. A copy of the engagement agreement will be included as an exhibit to our Annual Report on Form 10-K that we will file with the Commission.

## LEGAL MATTERS

Certain legal matters governed by New York law with respect to the offering will be passed upon for us by Loeb & Loeb LLP, New York, New York. Certain legal matters governed by Nevada law with respect to the validity of the offered securities will be passed upon for us by Loeb & Loeb LLP, Los Angeles, California. Chardan is being represented in connection with this offering by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

## EXPERTS

The audited consolidated balance sheets as of September 30, 2012 and 2011, and the related consolidated statements of income and comprehensive income, shareholders' equity, and cash flows for each of the years in the two-year period ended September 30, 2012 incorporated herein by reference from the Company's Annual Reports on Form 10-K have been audited by Kabani and Company, Inc. an independent registered public accounting firm, as stated in its report, which is incorporated by reference and has been so incorporated in reliance upon the report of such firm given upon its authority as experts in accounting and auditing.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION ABOUT US

We have filed a registration statement on Form S-3 with the SEC for the securities we are offering by this prospectus. This prospectus does not include all of the information contained in the registration statement. You should refer to the registration statement and its exhibits for additional information. We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in the prospectus but not delivered with the prospectus. We will provide this information upon oral or written request, free of charge. Any requests for this information should be made by calling or sending a letter to the Secretary of the Company, c/o LiveDeal, Inc., at the Company's office located at 6240 McLeod Drive, Suite 120, Las Vegas, NV 89120. The Company's telephone number is 702-939-0230.

We are required to file annual and quarterly reports, current reports, proxy statements, and other information with the SEC. We make these documents publicly available, free of charge, on our website at [www.bioaobo.com](http://www.bioaobo.com) as soon as reasonably practicable after filing such documents with the SEC. You can read our SEC filings, including the registration statement, on the SEC's website at <http://www.sec.gov>. You also may read and copy any document we file with the SEC at its public reference facility at:

Public Reference Room

100 F Street N.E.

Washington, DC 20549.

Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities.

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## INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed by us with the SEC are incorporated by reference into this prospectus supplement and the accompanying prospectus:

- Annual Report on Form 10-K for the fiscal year ended September 30, 2012, filed on January 15, 2013;
- Quarterly Reports on Form 10-Q for the quarter ended December 31, 2012, filed on February 14, 2013, the quarter ended March 31, 2013, filed on May 14, 2013 and the quarter ended June 30, 2013, filed on August 13, 2013;
- Current Reports on Form 8-K filed on March 11, 2013, April 16, 2013, May 3, 2013, and September 19, 2013;
- Definitive Proxy Statement on Schedule 14A filed on January 28, 2013; and

The description of our common stock set forth in our Form 8-A (Registration No. 33937) filed with the SEC on January 31, 2008, including any amendment on reports filed for the purpose of updating such description.

We also incorporate by reference into this prospectus supplement and accompanying prospectus all documents we file under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (a) after the initial filing date of the registration statement of which this prospectus is a part and before the effectiveness of the registration statement and (b) until all of the common stock to which this prospectus supplement and the accompanying prospectus relates has been sold or the offering is otherwise terminated. Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes hereof or of the related prospectus supplement to the extent that a statement in any other subsequently filed document which is also incorporated or deemed to be incorporated herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

700,000 shares of Common Stock

PROSPECTUS SUPPLEMENT

**Chardan Capital Markets, LLC**

The date of this prospectus supplement is January 7, 2014

**Livedeal, inc.**

\$10,000,000

Common Stock

Preferred Stock

Debt Securities

Warrants

Units

We may offer and sell, from time to time in one or more offerings, any combination of common stock, preferred stock, debt securities, warrants, or units having a maximum aggregate offering price of \$10,000,000. When we decide to sell a particular class or series of securities, we will provide specific terms of the offered securities in a prospectus supplement.

The prospectus supplement may also add, update or change information contained in or incorporated by reference into this prospectus. However, no prospectus supplement shall offer a security that is not registered and described in this prospectus at the time of its effectiveness. You should read this prospectus and any prospectus supplement, as well as the documents incorporated by reference or deemed to be incorporated by reference into this prospectus, carefully before you invest. This prospectus may not be used to offer or sell our securities unless accompanied by a prospectus supplement relating to the offered securities.

Our common stock is traded on The NASDAQ Capital Market under the symbol "LIVE." Each prospectus supplement will contain information, where applicable, as to our listing on The NASDAQ Capital Market or any other securities exchange of the securities covered by the prospectus supplement.

These securities may be sold directly by us, through dealers or agents designated from time to time, to or through underwriters or through a combination of these methods. See "Plan of Distribution" in this prospectus. We may also describe the plan of distribution for any particular offering of our securities in a prospectus supplement. If any agents, underwriters or dealers are involved in the sale of any securities in respect of which this prospectus is being delivered, we will disclose their names and the nature of our arrangements with them in a prospectus supplement. The net proceeds we expect to receive from any such sale will also be included in a prospectus supplement.

The aggregate market value of our outstanding voting and nonvoting common equity is \$10,988,263 . We have not offered any securities pursuant to General Instruction I.B.6 of Form S-3 during the prior 12 month calendar period that ends on, and includes, the date of this prospectus.

**Investing in our securities involves various risks. See “Risk Factors” on page 2 for more Information on these risks. Additional risks, if any, will be described in the prospectus supplement related to a potential offering under the heading “Risk Factors”. You should review that section of the related prospectus supplement for a discussion of matters that investors in such securities should consider.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or passed upon the adequacy or accuracy of this prospectus or any accompanying prospectus supplement. Any representation to the contrary is a criminal offense.**

The date of this Prospectus is May 16 , 2013

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## **ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the “SEC”) using a “shelf” registration process. Under this shelf registration process, we may offer from time to time securities having a maximum aggregate offering price of \$10,000,000. Each time we offer securities, we will prepare and file with the SEC a prospectus supplement that describes the specific amounts, prices and terms of the securities we offer. The prospectus supplement also may add, update or change information contained in this prospectus or the documents incorporated herein by reference. You should read carefully both this prospectus and any prospectus supplement together with additional information described below under the caption “Where You Can Find More Information.”

This prospectus does not contain all the information provided in the registration statement we filed with the SEC. For further information about us or our securities offered hereby, you should refer to that registration statement, which you can obtain from the SEC as described below under “Where You Can Find More Information.”

You should rely only on the information contained or incorporated by reference in this prospectus or any prospectus supplement. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus is not an offer to sell securities, and it is not soliciting an offer to buy securities, in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus or any prospectus supplement, as well as information we have previously filed with the SEC and incorporated by reference, is accurate as of the date of those documents only. Our business, financial condition, results of operations and prospects may have changed since those dates.

We may sell securities through underwriters or dealers, through agents, directly to purchasers or through any combination of these methods. We and our agents reserve the sole right to accept or reject in whole or in part any proposed purchase of securities. The prospectus supplement, which we will prepare and file with the SEC each time we offer securities, will set forth the names of any underwriters, agents or others involved in the sale of securities, and any applicable fee, commission or discount arrangements with them. See “Plan of Distribution.”

Unless otherwise mentioned or unless the context requires otherwise, when used in this prospectus, the terms “LiveDeal”, “Company”, “we”, “us”, and “our” refer to LiveDeal, Inc. and its wholly-owned subsidiaries.

## **PROSPECTUS SUMMARY**

The following summary, because it is a summary, may not contain all the information that may be important to you. This prospectus incorporates important business and financial information about the Company that is not included in, or delivered with, this prospectus. Before making an investment, you should read the entire prospectus and any amendment carefully. You should also carefully read the risks of investing discussed under “Risk Factors” and the financial statements included in our other filings with the SEC, including in our most recent Annual Report on Form 10-K which we filed with the SEC on January 15, 2013, respectively, and in our most recent Quarterly Report on Form 10-Q which we filed with the SEC on February 14, 2013. This information is incorporated by reference into this prospectus, and you can obtain it from the SEC as described below under the headings “Where You Can Find Additional Information About Us” and “Incorporation of Certain Documents by Reference.”

We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in the prospectus but not delivered with the prospectus. You may request a copy of these filings, excluding the exhibits to such filings which we have not specifically incorporated by reference in such filings, at no cost, by writing us at the following address: LiveDeal, Inc., 6240 McLeod Drive, Suite 120, Las Vegas, NV 89120 Attn: Secretary.

## The Offering

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the “SEC”) utilizing a shelf registration process. Under this shelf registration process, we may sell any combination of:

- common stock;
- preferred stock;
- debt securities, in one or more series;
- warrants to purchase any of the securities listed above; and/or
- units consisting of one or more of the foregoing.

in one or more offerings up to a total dollar amount of \$10,000,000. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that specific offering and include a discussion of any risk factors or other special considerations that apply to those securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the additional information described under the heading “Where You Can Find Additional Information About Us.”

## Our Company

We provide marketing solutions that boost customer awareness and merchant visibility on the internet for small-to-medium sized local businesses (SMBs). In 2012, under new management and after re-evaluating our programs, we launched two new business lines. In November 2012, we commenced the sale of marketing tools that help local businesses manage their online presence under our Velocity Local™ brand, which we refer to as online presence marketing. In August 2012, we commenced sourcing local deal and activities to strategic publishing partners under our LiveDeal® brand, which we refer to as promotional marketing. We continue to actively develop, revise and evaluate these products and services and our marketing strategies and procedures. We continue to generate most of our revenue from servicing our existing customers under our legacy product offerings, primarily our InstantProfile® line of products and services. Because of the change in our business strategy and product lines, we no longer accept new customers under our legacy product offerings.

We are in the process of developing and marketing a suite of products and services designed to meet the online marketing needs of SMBs at affordable prices, including online presence marketing, mobile web apps, traditional website design, content marketing, social media marketing and promotional marketing using established strategic publishing partners. Our target customers are SMB owners who work long hours to deliver real value to their customers in their own communities without the time or expertise to develop the powerful, multi-faceted, online



marketing and advertising programs necessary for successful online marketing. Our offerings draw on a decade of experience servicing SMBs in the internet technology environment.

## **RISK FACTORS**

Investing in our securities involves risk. The prospectus supplement applicable to a particular offering of securities will contain a discussion of the risks applicable to an investment in LiveDeal and to the particular types of securities that we are offering under that prospectus supplement. Before making an investment decision, you should carefully consider the risks described under “Risk Factors” in the applicable prospectus supplement and the risks described in our most recent Annual Report on Form 10-K, or any updates in our Quarterly Reports on Form 10-Q, together with all of the other information appearing in or incorporated by reference into this prospectus and any applicable prospectus supplement, in light of your particular investment objectives and financial circumstances. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The trading price of our securities could decline due to any of these risks, and you may lose all or part of your investment.

## **USE OF PROCEEDS**

Except as otherwise provided in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities covered by this prospectus for general corporate purposes, which may include, but is not limited to, working capital, capital expenditures, research and development expenditures and acquisitions of new technologies or businesses. The precise amount, use and timing of the application of such proceeds will depend upon our funding requirements and the availability and cost of other capital. Additional information on the use of net proceeds from an offering of securities covered by this prospectus may be set forth in the prospectus supplement relating to the specific offering.

## **RATIO OF EARNINGS TO FIXED CHARGES**

Not applicable to smaller reporting companies.

## DESCRIPTIONS OF THE SECURITIES WE MAY OFFER

The descriptions of the securities contained in this prospectus, together with any applicable prospectus supplement, summarize all the material terms and provisions of the various types of securities that we may offer. We will describe in the applicable prospectus supplement relating to a particular offering the specific terms of the securities offered by that prospectus supplement. We will indicate in the applicable prospectus supplement if the terms of the securities differ from the terms we have summarized below. We will also include in the prospectus supplement information, where applicable, material United States federal income tax considerations relating to the securities.

We may sell from time to time, in one or more offerings:

- shares of our common stock;
- shares of our preferred stock;
- shares of our preferred stock;
- warrants to purchase any of the securities listed above; and/or
- units consisting of one or more of the foregoing.

This prospectus may not be used to consummate a sale of securities unless it is accompanied by a prospectus supplement.

### Capital Stock

#### *General*

The following description of common stock and preferred stock, together with the additional information we include in any applicable prospectus supplement, summarizes the material terms and provisions of the common stock and preferred stock that we may offer under this prospectus but is not complete. For the complete terms of our common

stock and preferred stock, please refer to our articles of incorporation, as may be amended from time to time, any certificates of designation for our preferred stock, that may be authorized from time to time, and our bylaws, as amended from time to time. The Nevada Revised Statutes may also affect the terms of these securities. While the terms we have summarized below will apply generally to any future common stock or preferred stock that we may offer, we will describe the specific terms of any series of these securities in more detail in the applicable prospectus supplement. If we so indicate in a prospectus supplement, the terms of any common stock or preferred stock we offer under that prospectus supplement may differ from the terms we describe below.

As of April 8 , 2013, our authorized capital stock consists of 10,000,000 shares of common stock, par value \$0.001 per share, of which 3,499,447 shares are issued and outstanding, and 5,000,000 shares of preferred stock, par value \$0.001 per share, of which 200,000 shares are designated as series E convertible preferred and 127,840 shares of series E convertible preferred are issued and outstanding. The authorized and unissued shares of common stock and preferred stock are available for issuance without further action by our stockholders, unless such action is required by applicable law or the rules of any stock exchange on which our securities may be listed. Unless approval of our stockholders is so required, our board of directors will not seek stockholder approval for the issuance and sale of our common stock.