



MOKO.mobi Limited
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Suite 206 / 1 Katherine Street
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16 September 2010

Dear Shareholder

NON-RENOUNCEABLE RIGHTS ISSUE

I am pleased to invite you to participate in a 1 for 5 non-renounceable Rights Issue at \$0.12 per Share to be made by the Company (**Rights Issue**).

The Board has decided to raise a maximum of approximately \$2.85 million in new capital by way of a non-renounceable Rights Issue.

The proceeds from the Rights Issue are being used to provide working capital for the Company.

As outlined in the Chairman's recent report included in the 30 June 2010 Annual Financial Statements, the Company is also exploring other strategies including:

- joint ventures with and acquisitions of complementary content providers, in particular those who have proven success in sales via the internet and television, and who are now seeking access to the mobile market; and
- joint ventures with, and the acquisition of, specialist mobile marketing and promotions businesses.

The Company is presently in discussion with several parties in relation to these strategies, but they are at early stages of negotiation and successful completion to these discussions is uncertain at this stage.

In accordance with the Listing Rules of the Australian Securities Exchange Limited (**ASX**), MOKO.mobi Limited (**MKB**) is pleased to provide you with the following information about the rights issue.

The Rights Issue is non-renounceable and will not be underwritten, however the directors and several major shareholders have indicated they will support the issue.

Each shareholder on the Company's register of members on the close of business of Friday, 24 September 2010 (**Record Date**) will be entitled to subscribe for 1 new fully paid ordinary share in the Company for every 5 ordinary share held at the Record Date, at a price of \$0.12 per new share.

To the extent that a Shareholder does not take up their Entitlement, their interest in the Company will be diluted.

In addition to their Entitlement, Shareholders will be offered the opportunity to subscribe for shares in excess of their entitlement (**Additional Share Facility**). Allocations of such additional shares will be determined by the Board and will be dependent on the extent of any shortfall in take up by other shareholders and compliance with the Corporations Act and ASX Listing Rules by any shareholder wishing to take up any additional shares.

As part of the offer, the Directors also reserve the right pursuant to ASX Listing Rule 7.2 - Exception 3, and for all other purposes, to issue any remaining shortfall after the completion of the Rights Issue,



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including the Additional Share Facility (the **Investor Shortfall Facility**). The issue price of any shares issued under the Investor Shortfall Facility will not be less than \$0.12 per share and will be issued no later than three months after the close of the offer.

The shares issued under the Rights Issue, including the Additional Share Facility and the Investor Shortfall Facility will be fully paid and will rank equally with Company's existing issued shares. The Company will make an application to the ASX for official quotation of these shares.

The maximum number of New Shares to be issued under the Rights Issue is 23,738,699, which would raise up to approximately \$2.85 million. If all Shareholders take up their full entitlement of Shares to be issued under the rights issue, this would result in total issued shares in the Company of 142,432,194.

Eligible Shareholders need do nothing at this time. A personalised Entitlement and Acceptance Form will be mailed to the address on the Share Register on or about the Opening Date, being Tuesday, 28 September 2010, and you will need to complete that Form and return it with payment by the Closing Date to participate in the Rights Issue.

The Closing Date for acceptance and payment is 5.00pm (Sydney time) on Wednesday, 13 October 2010.

The timetable for the Rights Issue is as follows:

"Ex" Date for Entitlement to New Shares	20 September 2010
Record Date to determine your Entitlement to New Shares	24 September 2010
Expected date of dispatch of Offer and Entitlement and Acceptance Form	28 September 2010
Last day for acceptance and payment in full ("Closing Date")	13 October 2010
Expected allotment and dispatch of Holding Statements	21 October 2010
First day of trading of New Shares	22 October 2010

This timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors of the Company reserve the right to vary these dates, including Closing Date, without prior notice.

For further information:

Andrew Bursill – Company Secretary
(02) 9419 2966