

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

**MOKO.mobi Limited provides the following update in conjunction with the quarterly report:**

1. As noted previously, the payment terms in relation to the majority of international carriers is generally 120+ days. Carriers based in the United States remit payments on a quarterly basis resulting in 180+ payment terms. As a result, there is a lag between revenue recognition and cash receipts with the majority of cash receipts for the December quarter relating to revenue from previous quarters;
2. Unaudited sales revenue for the quarter was in excess of \$200,000 for the quarter and \$350,000 for the first half on gross carrier revenues of approximately \$700,000. A significant proportion of the sales revenue from the December 2010 quarter is expected to be received in the March 2011 quarter, with several payments due from large international telcos; and
3. The Company has completed a placement in January 2011 receiving \$1,000,000 (before costs of the issue) in additional capital and continues to pursue further capital raisings via placements to strategic and sophisticated investors.

Further details will be included in the Company's half-yearly report, to be released to the ASX during February 2011.

Name of entity

MOKO.MOBI LIMITED

ABN

31 111 082 485

("Quarter ending")

31 December 2010

### Consolidated statement of cash flows

Cash flows related to operating activities	1 October 2010 to 31 December 2010 \$A'000	Year to date ( 6 months ) \$A'000
1.1 Receipts from customers	100	214
1.2 Payments for		
(a) staff costs	(335)	(700)
(b) advertising and marketing	(93)	(124)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(576)	(1,167)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid) / tax offset received	-	401
1.7 Other (export market development grant)	-	-
<b>Net operating cash flows</b>	<b>(895)</b>	<b>(1,359)</b>

+ See chapter 19 for defined terms.

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	1 October 2010 to 31 December 2010 \$A'000	Year to date ( 12 months ) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(895)</b>	<b>(1,359)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(2)	(5)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(2)</b>	<b>(5)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(897)</b>	<b>(1,364)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	932	932
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other - Capital Raising Costs & Share buy-back	(23)	(23)
<b>Net financing cash flows</b>	<b>909</b>	<b>909</b>
<b>Net increase (decrease) in cash held</b>	<b>12</b>	<b>(455)</b>
1.21 Cash at beginning of the quarter	855	1,322
1.22 Exchange rate adjustments to item 1.2	-	-
<b>1.23 Cash at end of three months</b>	<b>867</b>	<b>867</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Three Months \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	121
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

1.24 Salary to managing director and directors
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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A
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**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Three Months \$A'000	YTD \$A'000
4.1 Cash on hand and at bank	867	867
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of three months (item 1.23)</b>	<b>867</b>	<b>867</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Company Secretary

Date: 31 January 2011

Print name: Andrew Bursill

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**Notes**

1. The monthly report provides a basis for informing the market how the entity's activities have been financed for the past month and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
  
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
  
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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