



MOKO.mobi LIMITED 2011 MARCH QUARTERLY REVIEW

KEY HIGHLIGHTS

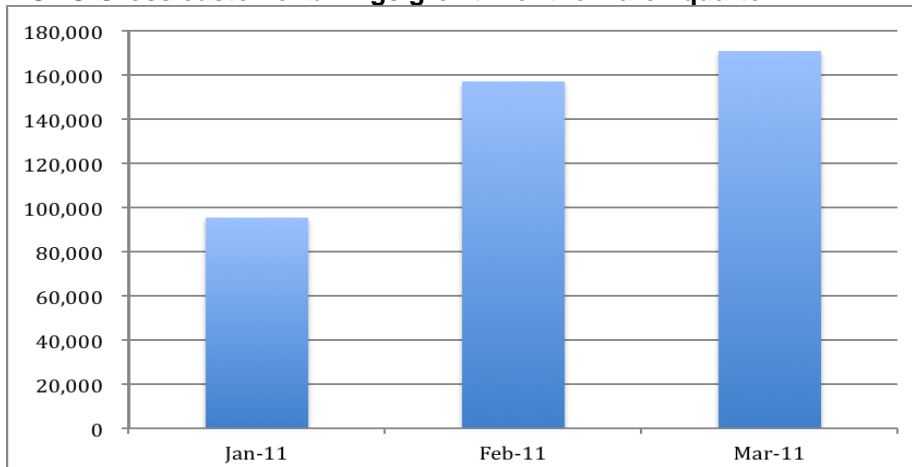
- Agreement with Nokia to develop new MOKO.mobi Apps for the Nokia Ovi store and Nokia's S40 platform.
- Unaudited Gross carrier billings from Company's products for the March quarter grew 76% to \$423,523 from the December quarter period 2010. Unaudited net revenues grew 69% to \$213,403.
- MOKO's global user base grew to more than 5.5 million.
- Completed UK acquisition of EyeVibe mobile video community from Yospace Technologies. Now implementing UK carrier integration and billing and migration to MOKO.
- Secured new carrier contract with Celcom Malaysia.
- MOKO now live on Wind Mobile in Greece.
- MOKO.mobi launched on-deck with Telstra Australia

INTRODUCTION

This last quarter has been a very busy period for the Company. We recognise that in the fast moving social networking sector it is imperative that our priority must be to build user numbers in order to establish MOKO.mobi as one of the leading mobile platforms across the globe. If one studies the market's leading social networking providers and the investor market that supports them, it will become apparent that user numbers is the lead indicator, followed by Average Revenue Per User (ARPU) and overall gross revenues.

We believe the rationale for user numbers being paramount in the early stage of a company's development is that the social networking sector is a relatively new phenomenon and once a user base is acquired, it should be possible to retain a large portion of this base, so long as the product offering remains relevant and the brand is managed and promoted.

MOKO Gross customer billings growth for the March quarter



In the Investor Presentation released to the market in late February this year, we provided an overview of our growth strategy and our intention to undertake the following:

- Expansion through existing carrier deals, marketing activities and expansion of product and platform.
- Seek out acquisitions that are accretive and fast-track our distribution, user base and revenue growth.
- Establish and extend strategic alliances to enhance the content offering and exploit new marketing channels and customer acquisition strategies, particularly in new geographies.

Everything outlined in the Key Highlights above is strategic and totally consistent with our growth strategy, especially when considering the importance placed on building user numbers as a key priority at this stage of our company's development.

In pursuing our growth strategy, we are not under estimating the importance of organically growing our revenues, reducing our cash burn and putting the company into a cash-flow positive position. An approach of organically building user numbers through marketing of existing carrier deployments, complimented by MOKO.mobi's (MOKO) preparedness to adopt an aggressive approach to rapid growth through acquisition is, in our opinion, the best plan to reward shareholders with the maximum valuation and returns.

AGREEMENT WITH NOKIA

The recent agreement that the Company reached with Nokia Inc. is testament to the company's platform and its value-add potential for device manufactures and carriers alike. The agreement will provide MOKO with significantly increased distribution channels, carrier billing, and leverage when negotiating with new carrier partners, especially in South East Asia and Europe where Nokia is traditionally strong.

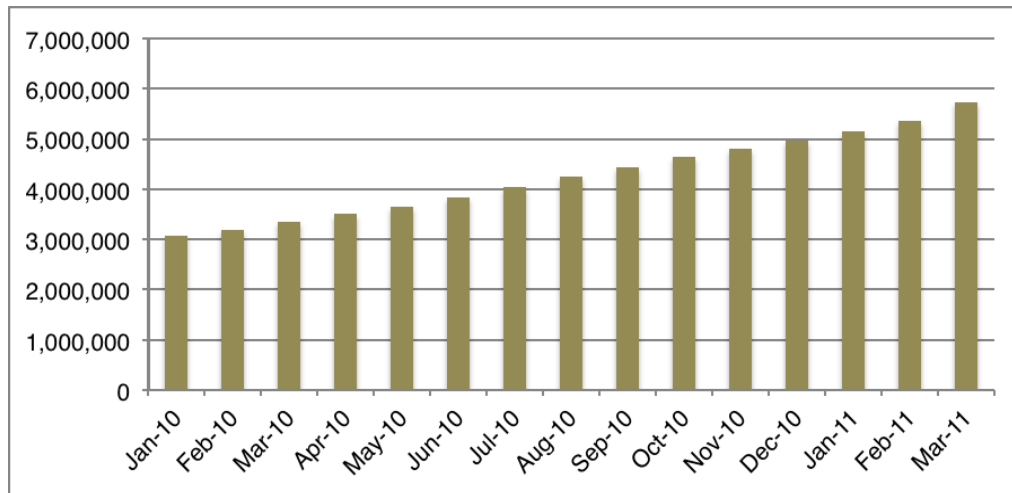
This is a direct deal with Nokia and we expect to have a close working relationship across all of our markets. Nokia's Ovi Store attracts more than 4 million downloads a day, and will potentially reach:

- Approximately 600 million Nokia Series 40 devices.
- Approximately 225 million Nokia Symbian devices.
- Approximately 75 million Nokia touch screen devices.
- Approximately 55 million Nokia QWERTY devices.

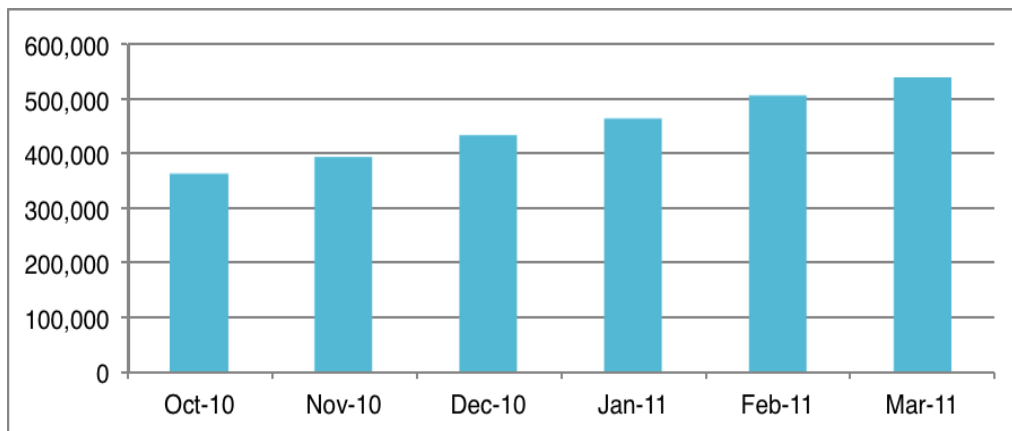
MOKO.mobi GROWTH

MOKO continues to grow into an extremely vibrant and highly active mobile community with world-leading usage metrics and customer retention. The following charts track the various growth patterns over the last 2 quarters across our global user base, and our existing and emerging markets. Several indicators of growth follow:

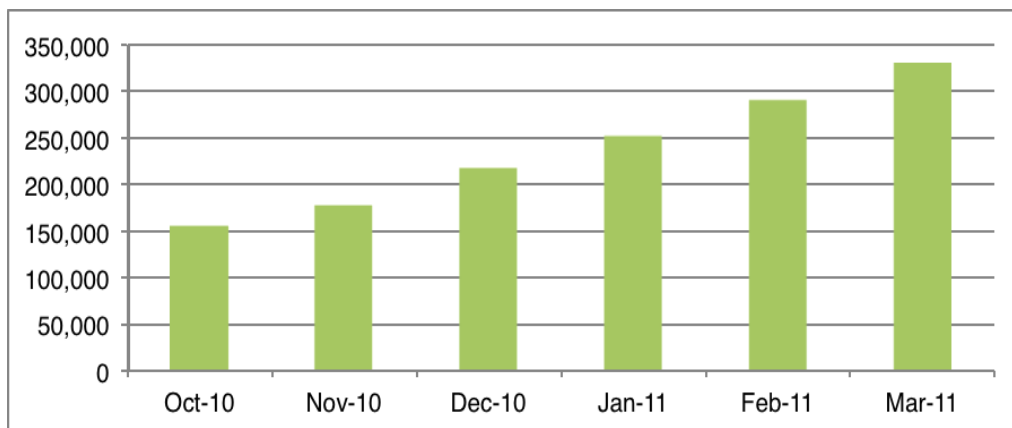
Total global user base growth



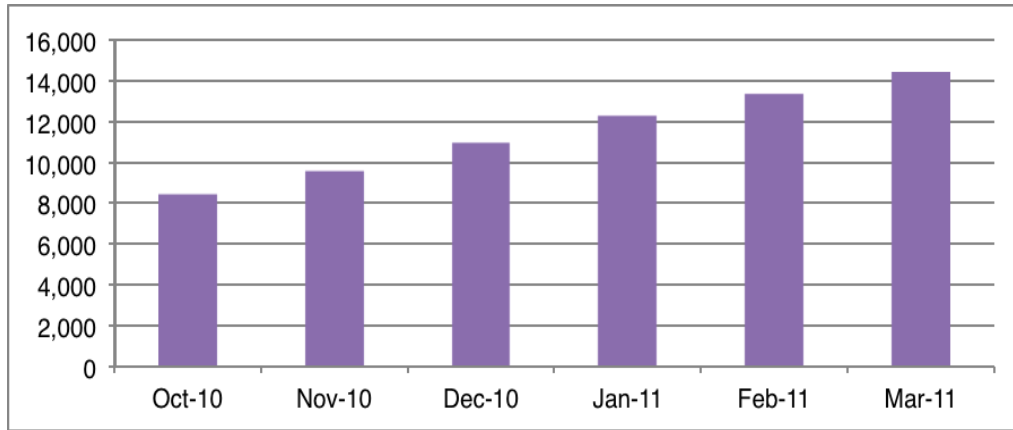
Malaysian User base growth



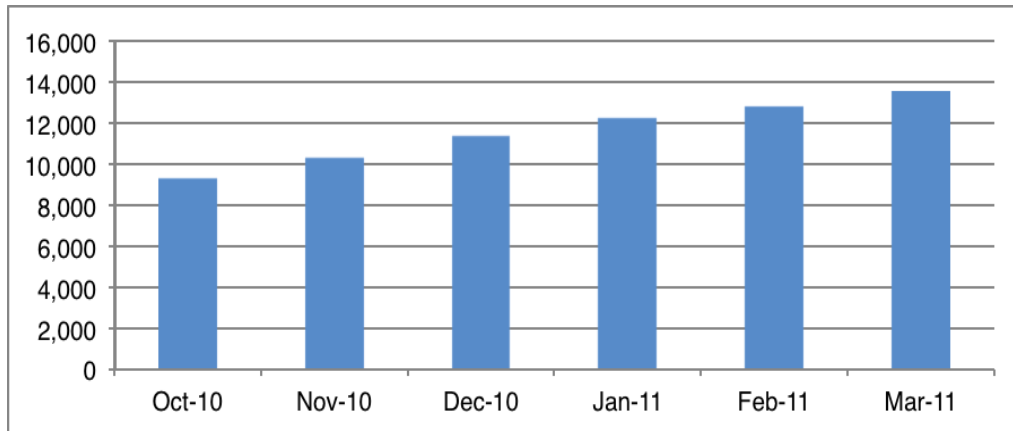
UK User base growth



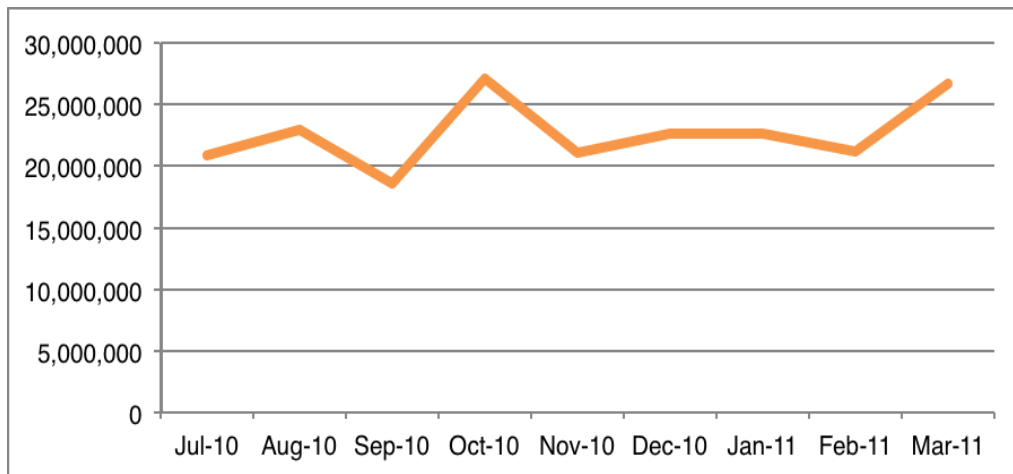
Dubai (UAE) User base growth



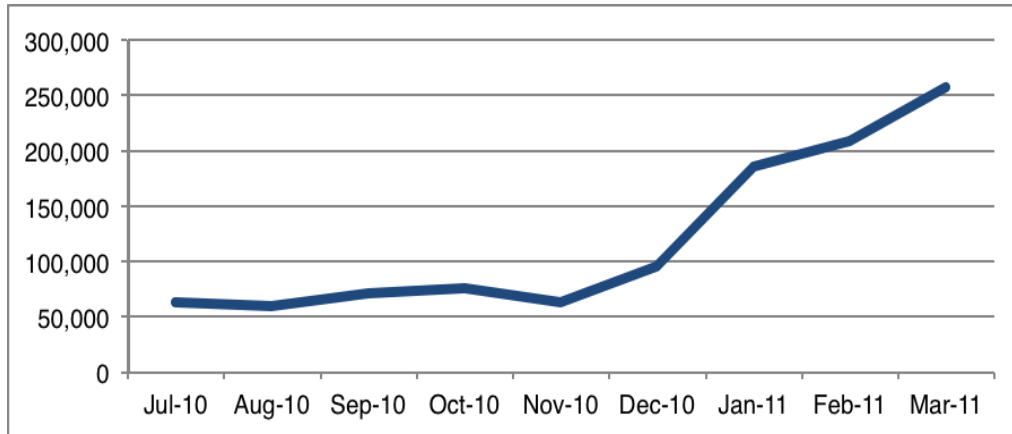
Brazil User base growth



Instant messages sent by MOKO users



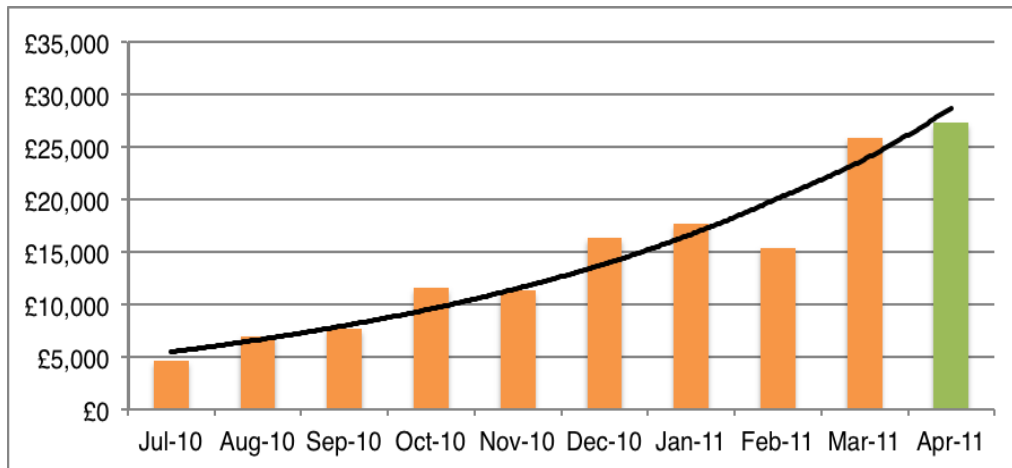
Monthly premium private media messages sent one-to-one



ACQUISITION OF EYEVIBE MOBILE COMMUNITY IN UK

The Company has successfully completed the acquisition of EyeVibe and is now working with the various UK carriers and partners to implement a migration of the user base, billing connectivity, and to cross promote MOKO while we undertake the final merger of the service with MOKO later this year.

UK Monthly Net Revenue Growth for the current financial year.

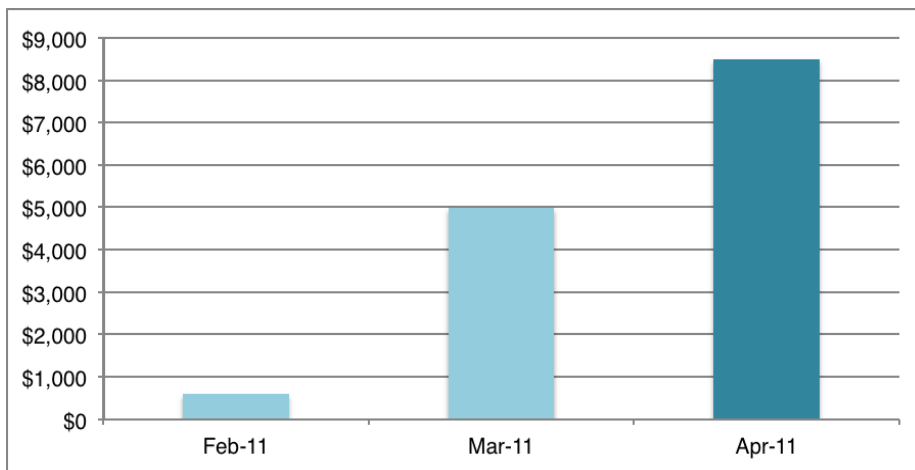


**April 11' estimated net revenue.*

The UK is now a focus for MOKO and after several marketing trials, the Company has now put in place a series of initiatives to build on the success of those trials.

A key to this will be the migration of the EyeVibe mobile video community user base, and the direct billing connections with the carriers to support the MOKO marketing initiatives. This will take some time to implement and the full effect will not be realized until the September quarter.

MOKO launches on Telstra – Gross customer billings growth January to April



**April 11' estimated net revenue.*

PROPOSED ACQUISITION OF US MOBILE COMMUNITY BUSINESS FROM CELLFISH MEDIA

The Company has recently announced that it will not be proceeding with the proposed agreement to acquire the US mobile community business from Cellfish Media LLC. As negotiations proceeded, it became clear that the parties would not agree on definitive purchase contract terms. Accordingly, to preserve their working relationship and mutual desire to explore new marketing initiatives, the parties agreed to terminate negotiations regarding the proposed acquisition by MOKO of the community business.

This has not affected our overall strategy. In fact, it has enabled the Company to fine tune its process and ensure that there is no dilution to shareholders equity without significant benefit. The capital raise that was being prepared in conjunction with the Cellfish deal will no longer proceed, however, the Company is looking to undertake a capital raise to seek out new acquisition opportunities and progress others that are already under consideration.

FURTHER M&A ACTIVITIES

The Company is actively involved in pursuing and reviewing other potential acquisitions in accordance with our growth strategy. These activities are still early in the process and subject to commercial confidence and, as such, cannot be reported on at this stage. There is no guarantee that any of these initiatives will ultimately be successful. We will, of course, make relevant announcements as soon as we are in a position to do so.

PLACEMENT TO SOPHISTICATED AND INSTITUTIONAL INVESTORS

The Company is in the process of engaging advisors to manage a placement to raise new working capital with strategic and sophisticated investors. The new capital will be primarily used to focus on marketing initiatives in the US and the UK where the revenue per user is the highest, and to strengthen the position of the Company as it explores other potential M&A activities. Some of the funds will also be used to expand MOKO's business development, sales and the product and development team to accelerate growth. A specific announcement regarding this will be prepared shortly.

CARRIER DEPLOYMENT UPDATE

During the quarter, the Company has been focused on the UK based EyeVibe acquisition and the due diligence process and negotiations around the announced acquisition of a US mobile community asset from Cellfish Media in the USA. This has impacted on the schedule that was originally set out for MOKO's existing carrier deployments, however, management believes it is important in the long-term interest of the business and will positively impact overall Company and shareholder value, to make these acquisitions a priority.

Malaysia

MOKO has now secured a third carrier agreement to launch MOKO, Celcom. Technical integration is almost complete and MOKO is now live in the promotional phase. Final billing and subscription work is still being worked on and we expect these to be operational when the introductory promotional campaign is completed in July.

Greece

MOKO is now live with premium MMS billing on Wind Mobile. Subscription and other micro-billing work have commenced and this is anticipated to be completed by the end of the June quarter.

USA

The recently announced Heads of Agreement to acquire the USA community business from Cellfish has meant that we have had to adjust our priorities around marketing activities and other technical development. Of course, this is a very positive change and we hope to have completed the due diligence and final acquisition process by the end of May.

Indonesia

The Company is actively negotiating to finalise carrier agreements in Indonesia. We hope to make a further announcement on these activities in the September quarter.

FINANCIAL

Unaudited gross product billings for the March quarter were \$423,523 and unaudited net revenues were \$213,403, up 76% and 69% respectively over the December quarter. The net cash position at the end of March was \$903,465.

The Company is now finalizing a capital raise to provide additional working capital and to leverage current marketing and M&A opportunities. On the basis of the proposed capital raise, and the planned activities of the Company over the next two quarters, the Board is satisfied that the Company will have sufficient cash resources to meet the costs of those planned activities.

An announcement is being prepared and shareholders will be notified shortly. Shareholders will also be able to download this information from the website www.corporate.moko.mobi when completed.

Greg McCann
Chairman

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

MOKO.MOBI LIMITED

ABN

("Quarter ending")

31 111 082 485

31 March 2011

Consolidated statement of cash flows

Cash flows related to operating activities	1 January 2011 to 31 March 2011 \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	102	316
1.2 Payments for		
(a) staff costs	(317)	(1,017)
(b) advertising and marketing	(156)	(280)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(374)	(1,541)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12	29
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)	-	-
Net operating cash flows	(733)	(2,092)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	1 January 2011 to 31 March 2011 \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(733)	(2,092)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(6)	(11)
(e) other non-current assets	(150)	(150)
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)	-	-
Net investing cash flows	(156)	(161)
1.14 Total operating and investing cash flows	(889)	(2,253)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,000	1,932
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	(74)	(97)
Net financing cash flows	926	1,835
Net increase (decrease) in cash held	37	(418)
1.21 Cash at beginning of the quarter	867	1,322
1.22 Exchange rate adjustments to item 1.2	-	-
1.23 Cash at end of three months	904	904

+ 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	71
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

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

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	-	-

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

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	904	904
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of three months (item 1.23)	904	904

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: 29 April 2011

Print name: Andrew Bursill

+ See chapter 19 for defined terms.

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.

+ See chapter 19 for defined terms.