



## 2011 SEPTEMBER QUARTERLY REVIEW

### KEY HIGHLIGHTS

- **Gross revenue from Company products for the September quarter grew 60% to \$561,589 from the corresponding quarter period 2010. Net revenues grew 93% to \$232,181**
- **Completes acquisition of mBuzzy, a U.S. mobile social community**
- **The Company signs non-binding term sheet to acquire major UK based mobile entertainment business with annual net revenues of approximately AUD\$14 million; the Company intends to actively pursue other strategic acquisitions**
- **The company is now in the next major development phase of a range of new products and applications**
- **Our iPhone applications are growing month-on-month in both usage and revenue**
- **Android App in development and due for release in the December quarter.**

### Overview of Our Achievements Since the June 2011 Quarterly Review

This last quarter has been a very busy period for the Company. In the Quarterly Review for June 2011 we flagged that the Company was on the verge of undertaking an acquisition in the significant U.S. market. We also reported a 40% growth in unaudited revenues compared with the same quarter 2010.



www.moko.mobi

**moko.mobi Limited**

We are mobile, and we're social ;-)

Firstly, we are pleased to report that we have successfully completed the acquisition of mBuzzy and this business is now fully integrated, both technically and operationally, into the MOKO suite of products and we are now working on transferring all our traffic through the mBuzzy servers, and once achieved, we expect to generate valuable IT cost savings.

Secondly, in terms of revenue growth, we are pleased to report gross revenue from Company products for the September quarter grew 60% to \$561,589 from the corresponding quarter period 2010. Net revenues grew 93% to \$232,181 compared to the corresponding period in 2010.

Thirdly, in the June 2011 Quarterly Review we flagged the fact that other acquisitions we being targeted and it was recently announced to the market that the Company has entered a non-binding arrangement to acquire a major UK based mobile entertainment business with annual net revenues or approximately AUD\$14million.

If we proceed with this acquisition, the consideration will be a mix of script in MOKO.mobi Limited and cash. The Company intends to conduct a capital raising for the cash component. At present the due diligence is well advanced on the opportunity and we hope to announce the outcome of this in the near future.

Gaining an initial foothold in the U.S. market with the mBuzzy acquisition was vitally important, as will this new acquisition in the UK, and other key markets in which the target company operates. This acquisition is also important because it will expedite the Company's track to break-even and eventually its profitability.

It is the Company's intention to continue pursuing other strategic acquisitions.



www.moko.mobi

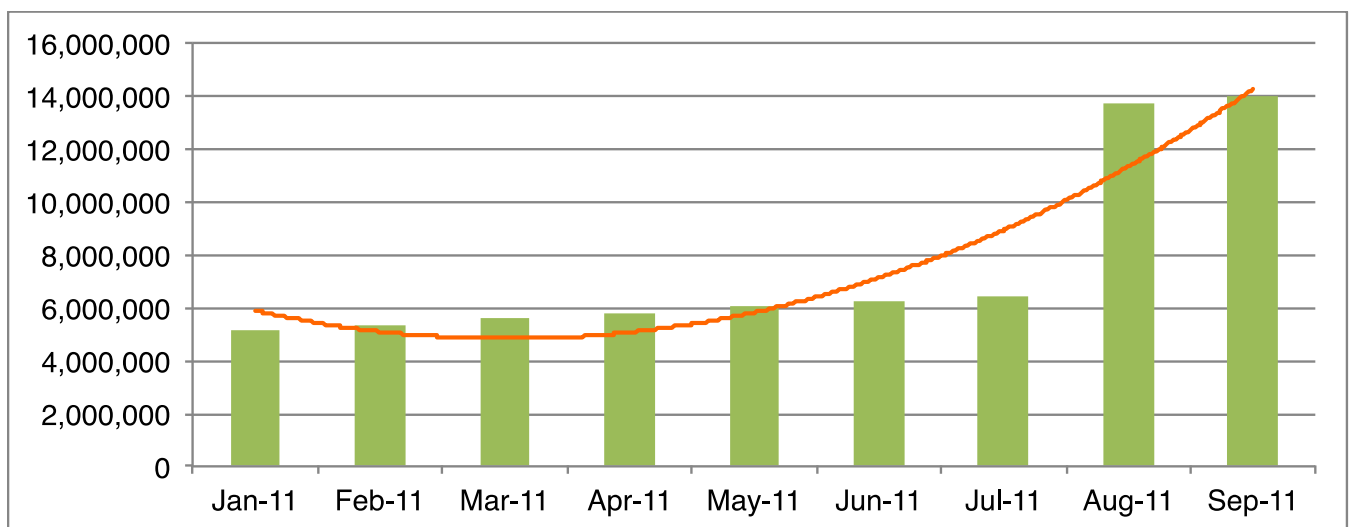
**moko.mobi Limited**

We are mobile, and we're social ;-)

Finally, in the June 2011 Quarterly Review we claimed the reach of our global user base to be over 13 million users and we are pleased to provide the market in the review with a graph showing our registered mobile users to be just under 14 million at the end of September 2011.

## COMPANY USER BASE AND USAGE GROWTH

MOKO's global user base grows to 13.9 million registered mobile users.



## PRODUCT & PLATFORM DEVELOPMENT

The company is now in the next major development phase of a range of new products and applications, including the development of its platform IP. A program has begun to “centralise” core functions of the MOKO platform to streamline product development, marketing, and IT functions across current and new product lines. This includes a global user authentication layer, social media features, marketing acquisition & retention analytics engine, and a billing & offers interface. This suite of features will add value to the Company's overall IP and create an opportunity to explore sponsorship and advertising revenue streams.



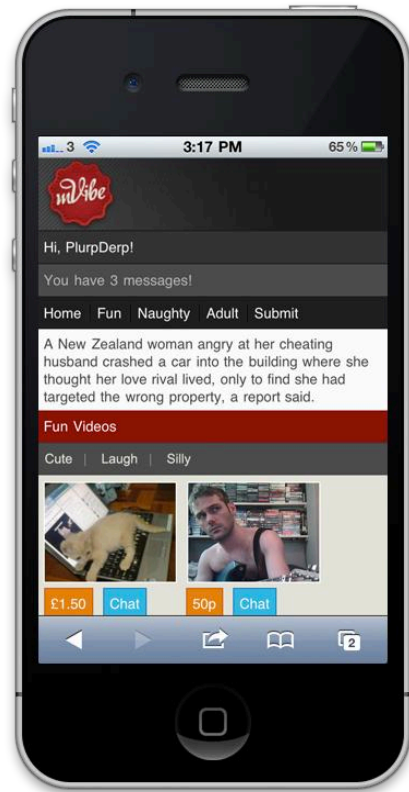
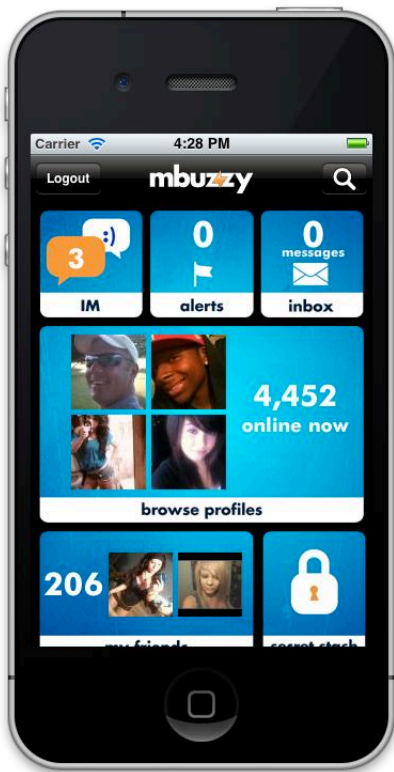
www.moko.mobi

**moko.mobi Limited**

We are mobile, and we're social ;-)

The mBuzzy iPhone App generates 1,500 instant messages (IM's) every minute, and boasts an average user session time of 62.5 minutes. The Company is now developing an Android mBuzzy application to be launched globally in the first quarter of 2012.

MOKO is also begun development of the new Eye Vibe product, to be re-branded to "mVibe". mVibe is a very unique product whereby the content creators receive 10% of their video download net revenue and the re-launch of mVibe will be supported in the US, UK, and Australia, via the Company's existing carrier partners and billing infrastructure.



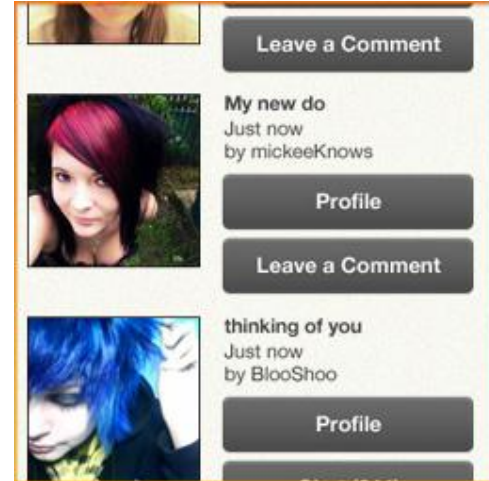
MOKO will also be releasing two exclusive Nokia MOKO Chat applications in the December quarter, which have been developed jointly with Nokia. The company expects these applications to do well in the Asian markets where both Nokia and MOKO share a strong installed user bases.



www.moko.mobi

**moko.mobi Limited**

We are mobile, and we're social ;-)



## FINANCIAL

Unaudited gross sales for the quarter were \$561,589 and unaudited net revenues were \$232,181. During the quarter the Company commenced a capital raising exercise and at the time of this report we have raised \$2.2 million via placements and convertible notes. The Company is pursuing further placements from strategic investors to fund further expansion working capital and M&A activities. The net cash position at the end of September 2011 was \$1,510,488.

Greg McCann

*Chairman*

# Appendix 4C

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

Name of entity

<b>MOKO.MOBI LIMITED</b>
--------------------------

ABN

<b>31 111 082 485</b>
-----------------------

Quarter ended ("current quarter")

<b>30 SEPTEMBER 2011</b>
--------------------------

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	230	230
1.2 Payments for		
(a) staff costs	(500)	(500)
(b) advertising and marketing	(390)	(390)
(c) research & development	-	-
(d) other working capital	(195)	(195)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	17	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes received/(paid)	-	-
1.7 Other (R&D grant received)	-	-
<b>Net operating cash flows</b>	<b>(838)</b>	<b>(838)</b>

---

+ See chapter 19 for defined terms.

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

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(838)</b>	<b>(838)</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)	(2)
(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 (payment for product development cost)	-	-
<b>Net investing cash flows</b>	<b>(2)</b>	<b>(2)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(840)</b>	<b>(840)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc (net)	200	200
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	250	250
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other	-	-
<b>Net financing cash flows</b>	<b>450</b>	<b>450</b>
<b>Net increase/ (decrease) in cash held</b>	<b>(390)</b>	<b>(390)</b>
1.21 Cash at beginning of quarter/year to date	1,926	1,926
1.22 Exchange rate adjustments to item 1.21	(24)	(24)
<b>1.23 Cash at end of quarter</b>	<b>1,512</b>	<b>1,512</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**

		Current quarter \$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	
	<u>1.24</u> - Directors' and associates' remuneration	71

**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.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,512	1,926
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>1,512</b>	<b>1,926</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	mbuzzy.com	N/A
5.2 Place of incorporation or registration	United States of America	N/A
5.3 Consideration for acquisition or disposal	15,122,188 fully paid ordinary shares @ \$0.07 ea 9,000,000 listed MKBO options @ \$0.10 ea Provision for further 10% of \$5,000,000 in placements over the next 6 months, with corresponding options	N/A
5.4 Total net assets	AUD 1,060,000	N/A
5.5 Nature of business	Mobile content provider	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 October 2011

Print name: Andrew Bursill

---

+ See chapter 19 for defined terms.