



ASX RELEASE

MOKO.mobi signs non-binding term sheet to acquire major UK based mobile content business with current annual revenues of approximately AUD\$14 million.

Perth, Monday 10 October 2011 – Mobile Social Entertainment Company, MOKO.mobi Limited (MOKO - ASX: MKB) today announced that it has signed a non-binding term sheet outlining the terms on which it would acquire 100% ownership and control of a UK mobile content business, for US\$2.7m in a combination of MOKO stock and cash, subject to conditions precedent as outlined below.

The business is headquartered in the UK and has operations spanning several regions including Europe and South Africa. The business generated annual revenue of approximately AUD\$14 million for the financial year ending 30 June 2011.

The offer from MOKO is to acquire all of the issued capital of the holding company (Target) that owns the business operating company from a US hedge fund and other minority shareholders.

Completion of the proposed transaction will be subject to certain conditions precedent, including:

- MOKO completing, and being satisfied with its due diligence on the Target group and their assets and business;
- divestiture of some non-core businesses assets of the Target group;
- extinguishment of certain liabilities of the Target group;
- the Target group obtaining all necessary government and corporate approvals on terms satisfactory to MOKO; and
- the Target group passing all necessary resolutions of its members and board.

Finalisation of the transaction will also be subject to MOKO complying with all regulatory requirements and obtaining shareholder approval in relation to the acquisition.

Subject to the conditions precedent outlined above and execution of binding documentation, completion of the transaction is expected to occur before the end of November 2011. Upon

completion, the US fund would become a substantial shareholder in MOKO.

The final terms of the proposed transaction and further details of the Target business will be announced when the due diligence is complete and the binding documentation has been executed.

CEO Ian Rodwell said of the proposed transaction, "Following the acquisition of the UK based Eye Vibe mobile video community earlier this year, this deal would allow us to establish a European hub for MOKO's operations and enable us to further expand on our product portfolio and carrier relationships."

Paul Grueber, MOKO SVP Business Development

M: +1 440 454 6061

Visit <http://corporate.moko.mobi>

Fergus Ross, Director

Six Degrees Investor Communication

Tel: +61 2 9230 0661

About MOKO.mobi

MOKO.mobi is a global Mobile Social Entertainment Platform. Accessible on any wireless device, consumers access the MOKO.mobi platform from carrier portals, App stores, and directly, via www.moko.mobi. Operational in 11 countries, with 13.4 million mobile users, 435 million page impressions a month, and 27 direct carrier-billing partners.

MOKO.mobi operates several consumer brands, [MOKO Chat](#), [mBuzzy.com](#), and [mVibe](#). Each service is positioned and developed to maximise our platforms reach, user engagement, and average revenue per user (ARPU).