



ASX RELEASE

Company Update

- **Shareholders Approve Acquisition of Paper Tree Ltd**
 - **Update on Company activities and Strategic Direction**
-

19 December 2011 – Mobile Social Networking company, MOKO.mobi Limited (ASX: MKB “MOKO”), today makes the following updates:

At the General Meeting held on 15 December, the shareholders voted to approve the acquisition of Paper Tree Ltd (PTL), the UK mobile entertainment business. The MOKO management team will now assume complete control and the process of integrating this business into the group will now begin in earnest.

Following this and the Company’s two other acquisitions during the 2011 calendar year (EyeVibe UK and mBuzzy USA), the Chairman, Greg McCann has announced a new and expanded direction for company.

MOKO is now realigning the operations into three core business units:

- The MOKO “Chat and Share” business (to be known as the ‘Social Division’);
- The expansion of the newly acquired UK based Mobile Entertainment Content business Paper Tree Ltd (to be known as the Product Marketing Division); and
- Creation of new Mobile Social Gaming division.

Accompanying this new direction will be the addition of new senior executives to support the recent acquisitions of Paper Tree, mBuzzy and EyeVibe and the Company’s overall expansion goals.

The board has decided that these business units will operate as distinct operational divisions with separate management teams but with an over-arching technical capability and connection to the central proprietary MOKO billing and “Griffin” customer management platforms.

The Company is in the process of securing a seasoned industry expert who will be responsible for the Mobile Entertainment & Content business division and expanding that business beyond the existing UK and South Africa concentration. We expect to make an announcement about this appointment early in the New Year.

The acquisition of Paper Tree will take a few months to transition into the MOKO.mobi infrastructure, and whilst this transitional process is continuing, the Board has established a “Strategic Initiatives and M&A Transition” sub-committee, which will be chaired by Mr Hans de Back.

Greg McCann

Chairman