

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
MOKO SOCIAL MEDIA LIMITED ACN 111 082 485**

**Purpose**

1. The Compensation Committee (**Committee**) is a committee of the Board of Directors (**Board**) of MOKO Social Media Limited ACN 111 082 485 (**Company**) established for the following purposes:
  - a. provide oversight of the Company's compensation policies, plans and benefits programs;
  - b. fulfill the Board's responsibilities relating to oversight of the compensation of the Company's Chief Executive Officer (**CEO**) and executive officers; and
  - c. evaluate, approve and administer of the Company's compensation plans, policies and programs, including its equity compensation plans, for the CEO and the Company's other senior executive officers.
2. The Committee shall seek to ensure that the Company structures its compensation plans, policies and programs in order to:
  - a. attract and retain the best available personnel for positions of substantial responsibility with the Company;
  - b. provide incentives for such persons to perform to the best of their abilities for the Company; and
  - c. promote the success of the Company.

**Committee Membership**

The Committee will consist of at least three members of the Board. The members of the Committee shall be appointed by and serve at the discretion of the Board. Subject to any available exemptions of the Securities and Exchange Commission (**SEC**) or The NASDAQ Stock Market LLC (**NASDAQ**), members of the Committee must meet the independence requirements of the NASDAQ rules. The Board shall designate one member of the Committee as its chairperson.

**Meetings and Procedures**

1. The Committee will set its own schedule of meetings and will meet at least bi-annually, with the option of holding additional meetings at such times as it deems necessary or appropriate. The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board, and shall report on its meetings to the Board and any action taken or approved by the Committee.
2. The Committee may form sub-committees for any purpose that the Committee deems appropriate and may delegate to any one or more sub-committees such power and authority as the Committee deems appropriate. Specifically, at its discretion, the Committee shall have the authority to form a committee to make recommendations to the Board regarding the grant of equity awards, options or stock purchase rights to employees other than executive officers (**Equity Awards Sub-Committee**), within guidelines established by the Committee from time to time. Each such sub-committee shall consist of a minimum of one (1) member of the Board, who may be the CEO. If designated, the Equity Awards Sub-Committee will establish its own schedule and maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Committee and the Board.

3. Members of the Committee may not receive any compensation from the Company except the fees that they receive for service as a member of the Board or any committee thereof.

### **Authority and Responsibilities**

To the extent deemed necessary or appropriate, the Committee shall be entitled to effect or make recommendations to the Board regarding any of the following:

1. *Set Compensation for Executive Officers*
  - a. Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate his or her performance in light thereof, and consider factors related to the performance of the Company in approving the compensation level of the CEO. The CEO may not be present during deliberations or voting on such matters.
  - b. Review and approve the CEO's:
    - i. annual base salary;
    - ii. annual incentive bonus, including the specific goals and amount;
    - iii. equity compensation;
    - iv. any employment agreement, severance arrangement and "change in control" agreement/provision;
    - v. any signing bonus or payment of relocation costs; and
    - vi. any other benefits, compensation or arrangements,  
(collectively **Compensation Components**).
  - c. Determining the long-term incentive component of CEO compensation, considering, among other things, the Company's performance and relative stockholder return, the terms and conditions, and value, of similar incentive awards to CEOs at comparable companies and the awards given to the Company's CEO in past years. The CEO may not be present during deliberations or voting on such matters.
  - d. Review and approve any or all of the Compensation Components for other executive officers identified by the Committee.
  - e. Have and exercise sole authority to retain, terminate and negotiate and agree upon the terms of any such retention or termination of, any compensation consultant used or to be used by the Company to assist in the evaluation of CEO or other executive officer compensation. The Committee shall also have sole authority to obtain advice and assistance from internal or external legal, compensation, accounting or other advisors. In either case, the Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such compensation consultant, independent legal counsel and other adviser retained by the Committee. The compensation consultant(s), outside counsel and any other advisors retained by, or providing advice to, the Committee (other than the Company's in-house counsel) shall be independent as determined in the discretion of the Committee after considering:
    - i. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;

- ii. the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- iii. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- iv. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- v. any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- vi. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the issuer.

The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

## 2. *Incentive and Equity-Based Compensation Plans*

- a. Administer the Company's equity incentive plans, including making recommendations to the Board in connection with:
  - i. the grant stock options or stock purchase rights to individuals eligible for such grants; and
  - ii. amendments to the provisions of such stock options or stock purchase rights.
- b. The Committee shall also be entitled to make recommendations to the Board with respect to amendments to any of the Company's current or proposed equity incentive plans and changes in the number of shares or other equity securities reserved or proposed for issuance thereunder.
- c. Oversee the Company's overall compensation plans and benefits programs by reviewing management reports with respect thereto on at least an annual basis.
- d. Make recommendations to the Board with respect to improvements or changes to such plans and programs or the adoption of new plans or programs when appropriate.
- e. Authorise the repurchase of shares from terminated employees pursuant to applicable law.
- f. Advise the Corporate Governance Committee regarding compensation plans or programs for outside directors.

3. *Compliance and Governance Issues*

- a. Prepare a report of the Committee, if required, to be included in the Company's applicable filings with the SEC or Australian Securities Exchange.
- b. Review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
- c. The Board shall evaluate the performance of the Committee annually.