

16 November 2017

Australian Securities Exchange
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Dear Sir/Madam

Moko Social Media Limited (Administrators Appointed)
ACN 111 082 485
ASX: MKB
(the Company)

At the meeting of creditors of the Company held on 6 November 2017 in accordance with Section 439A of the Corporations Act 2001 (**Act**), creditors unanimously voted in favour of the Company executing a Deed of Company Arrangement (**DOCA**) with Trevor Nairn.

I advise that on 15 November 2017, the Company, the Administrators and Trevor Nairn executed the DOCA in line with the DOCA proposal put to creditors at the abovementioned meeting. A copy of the DOCA was lodged with the Australian Securities and Investments Commission (**ASIC**) today.

Key components of the DOCA proposal are as follows:

- Consolidation of ordinary shares and options on a 300 to 1 basis
- The DOCA Proponent will undertake a capital raising of not less than \$2.25m
- The DOCA Proponent will provide a loan to the Company of \$120,000 to be used to pay for data recovery and storage, ASX listing fees and employee entitlements repayable only if the Company has the ability to do so and is secured over data assets recovered only
- Creditors holding registered General Security Agreements over the Company will receive 12,141,667 shares in the Company in satisfaction of amounts owed to them
- New directors appointed to the Company will receive 15m options in the Company
- The DOCA Proponent will receive 70m options in the Company
- A Creditors' Trust will be created whereby all remaining claims against the Company (i.e. employees and unsecured creditors) will be transferred to a Creditors' Trust, thus extinguishing such claims against the Company
- Upon the satisfaction of certain conditions precedent a research and development claim, lodged with the Australian Taxation Office (**ATO**), of not less than \$250,000 (before any set-off by the ATO), will be made available to the Deed Administrator/Trustee to be paid into the Creditors' Trust
- Further amounts will be transferred to the Creditors Trust, from the proceeds of the capital raising and the \$120,000 loan to enable the payment of administration fees and expenses, the payment of employee entitlements in full and to enable an amount of \$20,000 to be made available to unsecured creditors
- Shares in subsidiaries of the Company will be transferred to the Creditors' Trust
- Valid employee claims will be met in full.

Further details of the DOCA proposal can be obtained from the Administrator's report to creditors dated 27 October 2017. A copy of the report is available at www.deloitte.com/au/moko-social-media.

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We request that shareholders refrain from contacting our office at this time.

For all other queries please contact Jordan Basso on (08) 9365 7849.

Yours faithfully

A handwritten signature in blue ink, appearing to be 'Jason Tracy', with a long horizontal line extending to the right.

Jason Tracy
Administrator