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ASX ANNOUNCEMENT

25 October 2011

DATAMOTION SIGNS ACQUISITION TERM SHEET AND UNDERWRITING FOR A PLACEMENT OF SHARES

DataMotion Asia Pacific Limited (ASX: DMN), is pleased to announce that it has signed:

- a binding term sheet to acquire an option over 100% of the issued capital of MaxxZone Pty Ltd (Australia) (Maxx); and
- an Underwriting Agreement with Cunningham Peterson Sharbanee Securities Pty Ltd (CPS) for a strategic share placement to raise \$221,400.

Term Sheet

Maxx is the owner and developer of a new internet based networking and sales site called MaxxZone. The transaction is subject to satisfactory completion of due diligence and signing of a formal option agreement.

Michael Robson, Chairman of DataMotion said, "We have been actively pursuing acquisition opportunities that will grow the Company and improve our financial performance. MaxxZone is an exciting opportunity and we believe DataMotion shareholders will benefit from the value of their unique internet based product offering and ongoing commitment to innovation."

Under the term sheet, DMN will pay Maxx a \$100,000 Option Fee (with \$50,000 payable on execution of the term sheet and the balance on satisfaction of due diligence and execution of the formal option agreement) which will give DMN an exclusive Option for a period of 180 days. DMN can exercise the Option at any time within 180 days of signing the term sheet, and upon Maxx meeting various conditions DMN will issue 369,002,271 fully paid ordinary shares in DMN to the shareholders of Maxx (Initial Purchase Payment – "IPP").

In addition to the IPP, DMN is required to issue up to 4,300,000,000 fully paid ordinary shares (subject to DMN shareholder approval to the extent required) in three tranches to the shareholders of Maxx upon Maxx achieving the following accumulative earnings before interest and tax (EBIT) milestones (Deferred Consideration Payments – "DCP"):

Tranche #	Maxx's EBIT Milestones (Accumulative from date of Option Exercise) \$ AUD	Time Period to achieve EBIT Milestones (From date of Option Exercise)	Number of DMN Shares to be issued as DCP's
1	\$4,000,000	12 months	800,000,000
2	\$12,000,000	18 months	1,750,000,000
3	\$42,000,000	24 months	1,750,000,000
TOTAL			4,300,000,000

Share Placement

DataMotion has entered into an Underwriting Agreement to raise \$221,400 through a strategic placement managed and underwritten by Cunningham Peterson Sharbanee Securities Pty Ltd (CPS).

The placement of ordinary shares will be at an issue price of 0.04 cents per share and will be predominantly used to fund the payment of the Option Fee and to conduct due diligence on the Maxx acquisition. The Underwriting Agreement is subject to due diligence, securing sub- underwriters and standard termination events.

Ends.

ABOUT MaxxZone

MaxxZone Pty Ltd (Australia) has its head office in Perth, Western Australia. It was established by its Managing Director Mr Roland Becker to develop a unique suite of internet based products and services, the leading product of which is the MaxxZone networking and sales site (www.maxxzone.com).

The MaxxZone site is summarised as:

*"The affordable, HTML5, "Do-it-Yourself" personal or business netsite
with built-in sales & social networking functionality
Unique, User-friendly and 'A Step Ahead'."*

MaxxZone's beta test trial held in September 2011 received an overwhelming response of **11 million hits from 121 countries** around the World.

The invaluable feedback received will be translated into upgrades completed during the final stage of the pre-launch development.

Global launch scheduled for December 2011.

The technical development is being engineered and managed by MaxxZone's Technical Director, Dr Dirk Bauer. Dr Bauer's extensive software programming qualifications and professional IT experience are ideally complemented by Mr Becker's intuitive marketing and lifestyle insights and diverse management experiences.

Mr Roland Becker – Managing Director

Mr Becker is an accomplished businessman with significant success and experience in the development of start-up companies with a particular focus on unique marketing campaigns. He was the Executive Director of both the *'Life Be In It'* and the *'Advance Australia'* campaigns which were recognised globally.

Following these successes Mr Becker established the AVIVA group. AVIVA captured the essence of these two campaigns and channelled it into the development and sale of sports products worldwide. The Australian start-up sold upwards of 14 million units of its Baseball Bat launch product in 23 Countries. AVIVA re-shaped packaging and merchandising trends in the US, establishing a new 'Sport-Toys' product category with other new Soccer, Tennis, Golf and Football products. AVIVA achieved market leadership in this category ahead of Nerf, Wilson and Franklin, and achieved total global product sales of approximately US\$300 million.

Mr Becker has since developed products under his MaxxPlay banner which have lead to endorsement offers with Boris Becker, Arthur Ashe and various Education and Government Bodies.

Mr Becker holds a Degree in Physical Education and Education, with M.Ed. Studies in Biomechanics, Kinesiology, Physiology, Sociology and Psychology of Motor Skill Acquisition from Australian Universities.

Dr. Dirk Bauer – Technical Director

Dr Bauer has extensive experience in software development and web technologies. He is the founder and CEO of German based Software Development and IT consulting company Meru Group Ltd. Dr Bauer now specialises in network programming and administration solutions. His clients have included several major corporations operating in the finance and communications sector in Germany.

Dr. Bauer completed Post-Graduate Studies in Economics and Information Technology at the University of Frankfurt am Main, Germany, internationally equivalent to MBA and M.Sc.. Dirk completed further studies with formal MBA in Taiwan, and Ph.D in Switzerland. He now heads up the MaxxZone technical development division which is currently based in Thailand.