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MOKO Social Media Limited

ASX Release:



MOKO SOCIAL MEDIA
LIMITED

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PLACEMENT TO RAISE \$8 MILLION

MOKO Social Media Limited (ASX: MKB) ("**MOKO**") is pleased to announce an agreement to raise A\$8 million (before costs) via a placement of 38.1 million new ordinary shares at an issue price of A\$0.21 per share to qualified institutional and sophisticated investors ("**Placement**").

The Placement is subject to shareholder approval at an Extraordinary General Meeting expected to be held on or around Thursday, 27 March 2014 ("**EGM**"). A Notice of Meeting will be despatched to all shareholders shortly.

Directors of MOKO Hans de Back and Peter Yates intend to participate in the Placement for an aggregate 2,142,857 shares, subject to obtaining shareholder approval at the EGM and any required regulatory approvals.

Commenting on the Placement, MOKO Chairman Greg McCann said: "We are delighted with the strong support shown for the Placement, both from our existing shareholders and new investors, including Australian institutions. The Placement will ensure MOKO has a strong balance sheet that will support continued development of our projects, including REC*IT, RunHaven and Bluestreetreview.com, and allows us to assess new opportunities as they arise."

Euroz Securities Limited acted as Sole Lead Manager and Bookrunner and Foster Stockbroking acted as broker to the Placement.

For further information, please contact:

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About MOKO

MOKO Social Media Limited develops customised mobile community applications to improve communications within organisations such as universities, sports bodies and political groupings. MOKO uses its social platform to work with these organisations to provide important information to their audience/group members via mobile devices. MOKO generates revenue from mobile advertising. MOKO acquired New York based OfferMobi in August 2012, a mobile specific advertising platform linking publishers with advertisers wishing to reach mobile audiences. MOKO has also signed an exclusive development deal with the American Collegiate Intramural Sports Network under which it will build a mobile application promoted on-campus at over 200 US colleges with an audience of approximately 10 million students.

Special Note on Forward-Looking Statements

This press release contains information that constitutes forward-looking statements and uses forward-looking terminology such as “anticipate,” “believe,” “expect,” “estimate,” “future,” “intend,” “may,” “ought to,” “plan,” “should,” “will,” negatives of such terms or other similar statements. You should not place undue reliance on any forward-looking statement due to its inherent risk and uncertainties, both general and specific. Although we believe the assumptions on which the forward-looking statements are based are reasonable and within the bounds of our knowledge of our business and operations as of the date hereof, any or all of those assumptions could prove to be inaccurate. Risk factors that could contribute to such differences include the intense competition we face; failure to innovate and provide products and services that are useful to users; our ongoing need for capital for investment in new and existing business strategies and new products, services and technologies, including through acquisitions; our dependence on advertising revenues; the potential for declines in our revenue growth rate and downward pressure on our operating margin in the future; increased regulatory scrutiny that may negatively impact our business; legal proceedings that may result in adverse outcomes; failure to maintain and enhance our brand; uncertainty as to our ability to protect and enforce our intellectual property rights; and uncertainty as to our ability to attract and retain qualified executives and personnel. The forward-looking information provided herein represents the Company's estimates as of the date of the press release, and subsequent events and developments may cause the Company's estimates to change. The Company specifically disclaims any obligation to update the forward-looking information in the future. Therefore, this forward-looking information should not be relied upon as representing the Company's estimates of its future financial performance as of any date subsequent to the date of this press release. Actual results of our operations may differ materially from information contained in the forward-looking statements as a result of the risk factors.