



MARKET UPDATE

ANNOUNCEMENT

7 JULY 2011

Further to the market update provided on 9 June 2011, Vmoto Limited ("Vmoto" or "the Company") is pleased to advise of the following recent developments in relation to its electric scooter manufacturing program.

A Manufacturing and Supply Agreement ("Eclimo Agreement") between Vmoto and Eclimo SDN BHD of Malaysia ("Eclimo") was concluded in a signing ceremony in Penang last month, attended by the Company's Executive Director, Mr Charles Chen, and came into effect today upon receipt of a 30% deposit from Eclimo.

Pursuant to the Eclimo Agreement, Vmoto will supply an initial quantity of 500 Semi Knocked Down ("SKD") rolling chassis units of its 110S model electric scooter to Eclimo for amalgamation with electric motors supplied by the American electric technology company KLD Energy Technology. The 500 units will be shipped in two parcels, with the first 200 expected to be delivered in early August and the remaining 300 by the end of October 2011.

The 500 unit order is for the remainder of the 2011 calendar year and the Eclimo Agreement contains an extension clause for a period of 5 years whereby the minimum order requirement by Eclimo is 2,000 units per annum. Representatives of Eclimo will attend the Company's factory in Nanjing, China, later this month to inspect production.

TNT

The Company also advises that TNT Courier Services of Italy ("TNT") have paid the deposit for the first 33 units to be delivered under the previously announced agreement for 180 units of Vmoto's 120SD Delivery Scooter. This sale was arranged through the Company's wholly owned subsidiary Vmoto Emax International Ltd ("Emax"), via its existing distributor in Italy, Nemax SRL.

Representatives of TNT will visit the Vmoto manufacturing facility in Nanjing later this month for discussions regarding ongoing cooperation.



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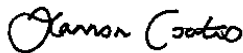
SGS

Lastly, Vmoto would also like to advise that Saturana Green Systems Inc of Vancouver Canada ("SGS") have concluded an Exclusive Distribution Agreement ("SGS Agreement") with Emax for the distribution of the Company's electric scooters in the territories of Canada and Brazil. The SGS Agreement has been concluded after evaluation of sample scooters by SGS.

Pursuant to the 3 year agreement to secure the distributorship, SGS have a minimum purchase requirement of 1,000 units during the balance of 2011 and a further 4,000 units to the end of 2012. The SGS Agreement includes all models in the Vmoto electric range, to be supplied on a SKD basis. Under the SGS Agreement, quantity and timing of shipments of the abovementioned units throughout the calendar year will be concluded in July, with the deposit for the first shipment to be made also within this month.

The Company will continue to provide further information to shareholders as and when it comes to hand.

AUTHORISED BY:



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