

SNK Shareholder Update – January 2014

Dear Shareholders,

Snakk is continuing to reach impressive milestones, with a busy three months planned for the company's fourth financial quarter ending March 2014.

Asia Pacific Technology Fast 500

Last month, Snakk was ranked the 62nd fastest growing technology business in the [Asia Pacific Technology Fast 500](#), and we are one of 16 New Zealand companies to make the top 100 on the list. In November you may recall we were named the 6th fast-growing company in the [Deloitte's New Zealand Fast 50](#).

The Asia Pacific technology company ranking shows we are continuing to make significant growth strides. This recognition will help legitimise our status in the countries we are considering as part of our regional expansion strategy.

Q3 Revenues (October – December 2013)

While it is too early to provide you the numbers, the management team is pleased with the company's third quarter sales, having ended 2013 on a positive note. The lead-up to Christmas has always been our busiest time and this year has been no exception. Our team worked through the holiday break and noted a definite increase in activity based on the same quarter in the previous year.

We will update you further when we release our unaudited revenues for our third financial quarter in early March 2014.

ASX Dual Listing

As we plan our options for Snakk's next market entry, and with Australia as our primary revenue market, the Board is currently considering a dual listing on the ASX. Listing in Australia, where 95% of our revenue is generated and there is strong demand for tech stocks makes sense at this point in the company's growth.

Not only will it make it easier for our Australian partners and customers to purchase shares; it will also add greater regional and global credibility to prospective investors and the markets we move into next.

Impactful Treasury Management – MicroDreams Foundation

As part of our treasury management strategy, in December we invested a small portion of our treasury funds to the MicroDreams Foundation in the form of an interest bearing-loan.

[MicroDreams](#) is a microfinancing organisation helping Pacific Island businesses and entrepreneurs become sustainable and successful by extending purpose-oriented micro-loans throughout Pacific Island microbusinesses run by women. This small percentage of our treasury funds is being used to make a significant difference to the livelihoods and communities of these people and in countries that have deep links to New Zealand.

The Snakk Board and management believe that business growth and success is about doing well financially, delivering shareholder and employee value, while at the same time doing social good and making a wider impact in the community.

Snakk is being built from the ground up to keep growing this way, and this initiative is just one of the efforts the team is behind, in line with our internationally-recognised [B Corp certification](#) that was awarded to the company in 2013.

Chair Completes Initial Share Transfer to Foundation

You may have noticed that our Chair and Co-Founder Derek Handley completed the first tranche of a gift of 2 million shares toward the development of his personal charitable foundation in an off-market transaction as per his previous guidance at the Snakk AGM in August 2013. Derek has indicated he will transfer approximately

10% of his Snakk holdings to his foundation, a range of other charities and private placements to investors during 2014 with more news to come on what the activities and social impact goals will be.

Derek remains a significant investor and is committed to the success of the company, providing significant strategic governance as well as hands-on input in his role as Chair, an investor and Co-Founder.

The Rise of Smart Screens

This month many media articles are focused on 2014 tech trends. Analysts, bloggers, journalists, as well as technology and marketing enthusiasts are writing about the rise of mobile device diversity (including wearable technologies); mobile apps and cloud services; the role of native advertising (versus the banner), the privacy implications of the latest technologies available to marketers; and the "Internet of Everything" (connected televisions, cars and appliances, all with smart screens).

We continue to closely assess significant strategic opportunities and investments across the broader smart screen sector. There has been some speculation on social media that Snakk has been contemplating undertaking an imminent strategic acquisition. The Board wish to confirm to the market that this is not in fact the case, and Snakk is not currently considering any prospective live acquisition opportunities. As has previously been reiterated, we continue to explore and seek strategic investments and opportunities as an ordinary course of our technology portfolio and regional expansion strategy.

There is no question there are exciting times ahead with rich potential for Snakk, and we look forward to sharing these with you as they unfold.

Thanks,

Mark

A handwritten signature in black ink, appearing to be 'Mark Ryan', written over a thin horizontal line.

Mark Ryan
Group CEO
Snakk Media

ENDS

Media:

Julie Landry, 021 895 098, Julie.Landry@snakkmedia.com

Investors:

Malcolm Lindeque, Company Secretary, 021 464 392, investors@snakkmedia.com, www.snk.co.nz,
www.twitter.com/snakkir

About Snakk Media Limited

NZAX-listed Snakk Media helps brands find and reach consumers using apps, games and social media on their smartphones, tablets and other smart screens. The company generates revenue every time it successfully targets and delivers an ad across its networks of mobile websites, apps and games. The ads are targeted to ensure the right audiences see them at the right time and place.

Snakk is one of the first publicly listed companies in the world that has met the rigorous social and environmental performance standards required to become a certified B Corporation.

