

SNK – Market information

16 July 2014

Dear Shareholders,

It's been a month since we announced our preliminary, unaudited Annual Results, and since then there have been more highlights I'd like to share with you.

New Zealand is humming

Within a year of opening our doors, New Zealand-based revenue has grown to make up 15% of our total group revenue. Mobile and tablet advertising spend in New Zealand has effectively doubled over the last year moving from 0.8 to 1.8% of total digital advertising spend.¹

Last quarter we were joined by Alan Oliver as our new Country Manager for New Zealand. Prior to Snakk, Alan was Business Development Director at The Radio Network, where he was instrumental to the launch of their online streaming radio service iHeartRadio, and oversaw double-digit growth in advertising revenues.

To keep pace with the rate of growth in New Zealand a new account manager has joined Alan in the Auckland office. Rachel Trafford brings to Snakk a decade of working in advertising sales, the majority of this time working in the digital media space for companies that include MSN and Mediata.

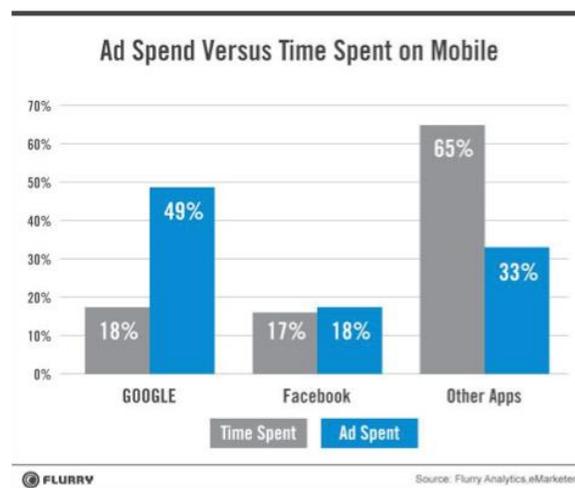
When we entered the New Zealand market we had high hopes, and I'm pleased to say our efforts have been rewarded with strong growth on our 'home ground'.

The latest Edison Report

[A recent report released](#) by Edison Investment Research has reviewed Snakk's full year performance and growth strategy. They conclude that by Snakk investing in the technologies and people required to expand the business, the potential for shareholder returns will be higher than if we had focused on short-term profitability. It was pleasing to see the report recognise "the scale of the longer-term opportunity that Snakk can grasp".

The report went on to value the share price at a rate higher than what it's currently trading at, commenting that our Year End revenue figure was slightly ahead of what they had originally forecast, and that we concluded the year with more cash in the bank than what was expected.

It also pointed out the sizeable gap between the amount of money being spent on mobile and tablet advertising and the amount of time people are actually spending using applications (apps) on these devices. This trend is clearly illustrated in the graph below, which compares advertising spend between Google, Facebook and all other apps. This disparity in 'Other Apps' represents an enormous opportunity for Snakk, whose core business is the development and placement of highly-targeted advertising within apps.



¹ Source: PWC Global Media & Entertainment Outlook 2014 – 2018).

Southeast Asia update

In key Southeast Asian markets the mobile and tablet advertising spend is currently less than 3% of all money spent on digital advertising.

By comparison, the US mobile advertising spend in 2013 was 17%² of total digital advertising spend, up from just 9% in 2012. With more than 100 million people in these burgeoning Asian markets who actively use smartphones apps to consume media and communicate via social media, we feel extremely positive about the timing of our recent move into Singapore.

By entering Southeast Asia during the early stages of mobile advertising we are very focused on capturing a sizeable share of the strong projected growth in mobile advertising spend in the region.

Our newly appointed Regional Director in Singapore, Michael Gooch, has spent the last 30 days tapping into his extensive regional networks and I'm encouraged to see that we are already winning business from local media agencies and their premium brands.

Group Executive Team, new leadership roles

With the business growing so quickly we've reached the point where specialist senior staff are needed to drive the company to greater heights. I'm extremely pleased to announce the following appointments.

Michael Keaney - Group Technology Manager

As we invest in more technologies, expand into overseas markets and assess merger and acquisition opportunities, it is vital we have a highly-skilled, senior technology specialist in the business. Michael will oversee our technology platforms, the integration of new technologies, our IT functions and software application development. Michael has recently returned to Australia after almost four years in California's Silicon Valley, and more than three years in Singapore, where he was the Chief Technology Officer and then Managing Director of technology company DOCOMO InterTouch.

Jason San Diego - Ad Operations Technology Manager

Our Ad Operations team now buys and sells mobile advertising inventory (the media spaces where the advertisements are published) in multiple regions around the world. This team also optimises the performance of our advertising campaigns to attain the strongest results possible, and produces detailed data analysis and reports for our agency partners and their premium brands. Jason will be developing the Snakk team into a truly world class outfit. He joins Snakk following three years managing ad operations at LeadBolt, a global mobile advertising platform founded in 2010 that now serves 5 billion ads per month across 65,000 apps in 150 countries.

We now have a world-class senior management team that includes Luke Williams (Group Commercial Manager), Max Flanigan (Group Partnerships Manager), Snakk Co-Founder Andrew Jacobs (General Manager) and myself.

Shareholder communications... your thoughts welcome

One of our strategic goals this year is to set new benchmarks for our shareholder communications. As a first step we have created a very short online survey. If you could take five minutes to tell us how we can improve in this area we would be extremely grateful. You will find the survey link [*here*](#).

²http://www.iab.net/about_the_iab/recent_press_releases/press_release_archive/press_release/pr-041014

Save the dates..!

- Our Annual Report reviews the 2013/14 year in detail and will be released by the end of July.
- Q1 Revenues: anticipated for end-August, to be confirmed.
- AGM: confirmed for late afternoon, 16 September at AUT University, City Campus, Auckland (we'll release more details next month).
- The AGM will be followed by the second annual #SnakkLive2014 early evening panel event. We'd love to see you at both events.
- We'll also be live streaming both events on our website where they'll remain available for viewing at any time post the event. We'll release more details next month.

As always, thank you for your support,

Mark



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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.