

SNACK MEDIA

15 September 2014

Dear Shareholders,

ESPN signed to new Snakk division called Represent Media

Advertisers can now access premium publisher titles for mobile ad campaigns via new Snakk subsidiary

Today we're announcing the launch of Represent Media, a new wholly-owned subsidiary which sells advertising space for premium publisher titles appearing on mobile apps and websites. Represent Media has signed ESPN in its first exclusive mobile advertising collaboration in the Australian market.

Represent Media will now sell the premium Australian mobile ad inventory available on ESPN's leading mobile applications and websites. These include well-known titles ESPN.com, ESPNcricinfo, ESPNScrum, ESPNF1, ESPNFC and ESPNfootytips.

Setting up a new division and securing a premium brand like ESPN is another exciting moment in Snakk's relatively short history. I'm confident the Represent Media team will grow the business to include arrangements with other premium publisher brands and expand the sales team within Australia, New Zealand and into Asia as demand is clearly strong in all these markets.

Represent Media will leverage the creative talent and best-of-breed smart screen advertising technologies of Snakk Media, particularly those that focus on sophisticated targeting to reach the right audience.

Jamie Hollebhone will lead the subsidiary, which is based at Snakk's new Surry Hills office space in Sydney. Mr Hollebhone joins Represent Media as its General Manager from Parramatta National Rugby League Club where he was head of the company's brand and corporate sales. Before this he spent more than a dozen years in online and traditional advertising with companies including News Corp, MCN and Pacific Magazines.

ESPN Australia/NZ Director of Digital Products & Partnerships Lance Peatey says the collaboration with Represent Media goes beyond solely generating advertising revenue from its sizable and fast-growing mobile audience. He says: "We want to offer users of our mobile apps and websites an engaging way to interact with the brands who advertise with us. Snakk shares our focus on rich media and creative sponsorship solutions that will generate stronger engagement and response rates for top-tier brands that advertise with our industry-leading mobile properties."

Why Snakk set up Represent Media:

It became clear that there hadn't been a new market entrant representing premium publisher titles for several years, which is an eternity in our industry. It's a different yet highly complementary business to Snakk. There was an obvious demand for a fresh approach in market, and by leveraging the existing expertise and skills within Snakk we felt we could offer something new and different very cost-effectively.

How is Represent Media different from Snakk?

Snakk sells what's known in the ad industry as 'audience aggregation' products, which means its ads are focussed on getting in front of the right audience at the right place and time without favouring a particular mobile app or websites nominated by the advertisers. Snakk ads appear across large and diverse networks of mobile websites, apps and games as opposed to just appearing on one specific publisher's mobile channels.

However, when a brand marketer wants to also advertise specifically within a premium publisher, Represent Media can assist. By establishing exclusive agreements to represent premium publishers, the newly formed division can match an advertiser's request to a specific publisher's supply of available ad space.

Both Snakk Media and Represent generate revenue from the advertiser paying to use the ad space and the publishers serving the ad to its audiences.

Jamie Hollebhone will be at Snakk's Annual Meeting and #SnakkLive evening panel events 16 September at AUT. Information on these events can be found here: <http://investors.snakkmedia.com/2014-agm/>.

As always, we thank you for your support.

Mark

A handwritten signature in black ink, appearing to be 'Mark Ryan', written over a diagonal line that extends from the bottom left towards the top right.

Mark Ryan
Group CEO
Snakk Media

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