

SNACK MEDIA LIMITED

21 October 2015

NZX Limited
Wellington**ISSUE OF SECURITIES BY SNAKK MEDIA LIMITED**

Snakk Media Limited ("SNK") advises that it has issued 7,953,990 options to acquire ordinary shares as follows:

Class of Security: Options to acquire Ordinary Shares in the Company ("Options")

ISIN: Not applicable – securities are not quoted

Number issued: 7,953,990

Payment: No moneys are paid on the issue of the Options. NZ 4.9 cents is payable upon the exercise of each Option.

Percentage of total Class of Securities issued: Assuming that the options were exercised and new shares issued, those new shares issued would represent 2.913% of the total number of ordinary shares on issue in SNK post that issue.

Reason for the issue: The Options were issued to a Director of the Company.

Authority of issue: Director's Resolution and NZAX Listing Rules 7.3.6.

Terms of issue: The terms of issue of the Options are as per the attached Schedule.

The new shares issued upon the exercise of the Options will be credited as fully paid, and rank in all respects equally with the shares already on issue.

Total number of securities of the Class in existence after the issue: 7,953,990 new Options

Date of issue: 21 October 2015

SNACK MEDIA LIMITED

Director

SCHEDULE

The following summary describes the principal terms of issue of the Options ("Options"):

- (a) each Option entitles the holder to acquire one ordinary share in the Company;
- (b) the exercise price payable in respect of each Option, so as to acquire one ordinary share in the Company, is NZ 4.9 cents;
- (c) The Options shall vest in the holder as follows:
 - (i) one third of the Options shall vest on 21 October 2016;
 - (ii) one third of the Options shall vest on 21 October 2017;
 - (iii) one third of the Options shall vest on 21 October 2018;

Each tranche of Options may only be exercised in the period commencing on the date on which the respective tranche of Options vest in the respective holder of the Options, and ending on 21 October 2020 (**Exercise Period**).

- (e) Should the services of the holder of an Option cease to be retained by the Company or a subsidiary of the Company prior to a tranche of Options vesting in the holder, then those Options that have not vested at that time shall terminate;
- (f) any Options which are not exercised during the Exercise Period shall lapse;
- (g) shares issued upon exercise of an Option shall be credited as fully paid and rank equally in all respects with shares on issue at the relevant exercise date (except for any dividend or other entitlement where the entitlement date occurs prior to the exercise date);
- (h) the Options are not transferable without the prior approval of the Company in writing;
- (i) the Options shall confer on the holder the right to participate in rights issues undertaken by the Company;
- (j) the holders of the Options will not be entitled to vote at any meeting of the shareholders of the Company;
- (k) on any consolidation, subdivision or other reconstruction of shares the number of shares over which each Option is exercisable will be adjusted in proportion to the reconstruction, and the exercise price will remain unchanged;
- (l) if, during the Exercise Period, the Company undertakes a bonus issue to the shareholders of the Company, the number of shares over which each Option is exercisable will be increased (or, at the election of the holder, additional shares may be reserved for issue on the exercise of the option) by the number of shares which the holder would have received if the option had been exercised before the record date for the bonus issue. The total exercise price shall remain unchanged however;

and otherwise on the terms set out in the Option Allocation Deed entered into between the Company and the holders of the Options.