

Disclosure of movement of 1% or more in substantial holding
or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To: NZX Limited

And

To: Snakk Media Limited

Relevant event being disclosed: change in nature of relevant interest

Date of relevant event: 5 October 2015

Date this disclosure made: 5 October 2015

Date last disclosure made: 13 January 2014

Substantial product holder(s) giving disclosure

Full name(s): Far East Associated Traders Limited

Summary of substantial holding

Class of quoted voting products: Ordinary shares (NZX code: SNK)

Summary for Far East Associated Traders Limited

For **this** disclosure,—¹

- (a) total number held in class: 40,772,634
- (b) total in class: 265,132,984
- (c) total percentage held in class: 15.378%

For **last** disclosure,—

- (a) total number held in class: 41,132,634
- (b) total in class: 262,862,984
- (c) total percentage held in class: 15.648%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure:

On 5 October 2015, Far East Associated Traders Limited (*FEAT*) entered into a restricted security agreement (the *Restricted Security Agreement*) with Snakk Media Limited (*SNK*)

¹ Note that the difference between the number of shares held in this disclosure and the last disclosure is as a result of transactions that were disclosed to the market by Derek Handley in his capacity as a director of Snakk Media Limited on 18 September 2014. The number of shares held is unchanged since that disclosure was made by Derek on 18 September 2014.

(6 pages, **attached**). Under the Restricted Security Agreement, FEAT has agreed not to sell or otherwise dispose of or do or omit to do anything which could have the effect of transferring effective ownership or control of any shares it holds as at the date of the Restricted Security Agreement (the *Escrowed Shares*) until after 31 December 2016 subject to certain limited exceptions set out below. FEAT may sell or otherwise transfer any of the Escrowed Shares:

- with the approval of the directors who are not “interested” in the decision (as that term is defined in the Companies Act 1993), SNK and NZX Limited;
- to an “affiliate” of FEAT (being a person owned or controlled by, or under common ownership or control with, FEAT and in relation to a family trust includes any beneficiary of that trust), provided that such affiliate has agreed to be bound by the escrow terms; or
- in connection with a takeover offer made in respect of SNK’s shares under the Takeovers Code or a similar scheme of arrangement.

These restrictions do not apply, and therefore no approval is needed, for FEAT to grant a security interest in favour of a bona fide lender to FEAT.

As a consequence of the Restricted Security Agreement, there is a qualification on the power of FEAT to dispose of, or control the disposal of, the SNK shares it holds.

Details after relevant event

Details for Far East Associated Traders Limited

Nature of relevant interest(s): Registered holder and beneficial owner, subject to the restrictions on transfer outlined above.

For that relevant interest,—

- (a) number held in class: 40,772,634
- (b) total in class: 265,132,984
- (c) current registered holder(s): Far East Associated Traders Limited
- (d) registered holder(s) once transfers are registered: not applicable

Additional information

Address(es) of substantial product holder(s):

Far East Associated Traders Limited
Rm C 16F On Hing Building
1-9 On Hing Terrace
Central Hong Kong

Contact details: Derek Handley, Tel: C/o- Baker Tilly, +852 2525 0171, Email: dgh@derekhandley.org

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: Snakk Media Limited.

Certification

I, Derek Handley, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Snakk Restricted Security Agreement

Snakk Media Limited (*Snakk*)

Far East Associated Traders Limited (the *Shareholder*)



SNACK RESTRICTED SECURITY AGREEMENT

Date: 5 October 2015

PARTIES

Snakk Media Limited a duly incorporated company at Level 6, 57 Symonds Street, Grafton, Auckland 1010, New Zealand (*Snakk*)

Far East Associated Traders Limited a duly incorporated company at 3 Queen Street, Northcote Point, Auckland 0627, New Zealand (the *Shareholder*)

BACKGROUND

- A The Shareholder is the registered holder and beneficial owner of the Shares.
- B Snakk has applied to NZX to cease quotation of its ordinary shares on the NZAX and to commence quotation of its ordinary shares on the NXT Market.

THE PARTIES AGREE as follows:

1 DEFINITIONS AND CONSTRUCTION

1.1 Defined terms

In this agreement, unless the context requires otherwise:

Affiliate means in relation to any person, a person that directly or indirectly, through one or more intermediaries, owns or controls or is owned or controlled by or is under common ownership or control with the person and, in relation to a family trust means any beneficiary (ascertained or discretionary) of that trust;

Business Day means a day on which the NXT Market or NZAX is open for trading;

Effective Date means the date of this agreement;

Non-Interested Directors means, in relation to any decision, directors of Snakk who are not "interested" for the purposes of the Companies Act 1993;

NXT Market means the new growth market aimed at small and medium cap businesses operated by NZX;

NZAX means the NZX Alternative Market aimed at small to medium-sized businesses operated by NZX;

NZX means NZX Limited and includes its successors and assigns and as the context permits includes any duly authorised delegate of NZX;

Restricted Period means the period from the Effective Date and ending on 31 December 2016; and



Shares means all ordinary shares in Snakk registered in the name of the Shareholder, as at the Effective Date.

2 **ESCROW**

2.1 The Shareholder unconditionally and irrevocably undertakes to the Non-Interested Directors, Snakk and NZX that (subject to clause 3) it will not:

- (a) sell, transfer, assign or otherwise dispose of, or offer or agree to sell, transfer assign or otherwise dispose of, its right and title to, and beneficial interest in, the Shares in the Restricted Period, otherwise than by way of granting a security interest in favour of any bona fide lender to the Shareholder; or
- (b) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Shares in the Restricted Period otherwise than pursuant to enforcement of any loan and/or security interest granted to a bona fide lender to the Shareholder,

without first giving not less than 5 Business Days written notice to, and obtaining the prior written approval of, each of the Non-Interested Directors, Snakk and NZX (at their respective discretions but subject to clause 3).

2.2 The right of the Shareholder to deal with the Shares is also subject to any other restrictions which may be applicable, including under the NZAX Listing Rules, the NXT Market Rules and the Financial Markets Conduct Act 2013.

3 **EXCEPTIONS**

3.1 Notwithstanding the restrictions set out in clause 2.1 of this agreement, the Shareholder may transfer all or part of the Shares to an Affiliate, provided that the Affiliate enters into a Restricted Security Agreement with Snakk in relation to the Shares transferred on the same terms as this agreement for the remainder of the Restricted Period.

3.2 Clause 2.1 of this agreement will not apply in relation to any full or partial takeover offer made under the Takeovers Code or similar scheme or arrangement, provided that any such takeover offer or similar scheme or arrangement is not made, whether directly or indirectly, by the Shareholder or any Affiliate. For clarity, if a full or partial takeover offer is made or proposed to be made during the Restricted Period, directly or indirectly by a person who is not the Shareholder or an Affiliate of it, then the Shareholder may sell, or agree, or offer to sell all or any part of the Shares to the offeror under that offer.

4 **SPECIFIC PERFORMANCE**

The Shareholder acknowledges that damages alone would be an inadequate remedy for breach of its obligations under this agreement and the appropriate remedies for such a breach will include orders for specific performance, injunctive relief, any other equitable relief and/or damages.



5 **CONTRACTS (PRIVITY) ACT 1982**

The provisions of this agreement are for the benefit of, and are intended to be enforceable by, any of the Non-Interested Directors, the other shareholders of Snakk and NZX under the Contracts (Privity) Act 1982.

6 **SEVERABILITY**

If a Court or administrative body decides that part of this agreement is illegal, void or cannot be enforced, that decision will not make the rest of this agreement invalid.

7 **DE-LISTING**

This agreement will be void and of no effect if Snakk is de-listed by NZX.

8 **AMENDMENT OR TERMINATION**

- 8.1 Any variation to or termination of, this agreement requires the written agreement of all parties to this agreement and Snakk shall not agree to any amendment or termination without prior written approval of NZX.
- 8.2 Snakk will provide NZX with notice immediately in the event that it becomes aware of a breach or a likely breach of the agreement.

9 **GOVERNING LAW**

This agreement is governed by, and construed in accordance with, New Zealand law and the parties agree to submit to the jurisdiction of the New Zealand courts.

10 **NOTICES**

- 10.1 Any notice or other communication given under this agreement to a party will be in writing addressed to that party at the address or facsimile number from time to time notified by that party in writing to the other party. Until any other address of a party is notified, they will be as specified in the Background.
- 10.2 Delivery may be effected by hand, by post with postage prepaid, or by facsimile.
- 10.3 A notice or other communication delivered by hand will be deemed to have been received at the time of delivery. However, if the delivery is not made on a Business Day or is made after 4.30 pm on a Business Day, then the notice or other communication will be deemed to have been delivered on the next Business Day.
- 10.4 A notice or other communication delivered by pre-paid post will be deemed to have been received on the 2nd Business Day after posting.
- 10.5 A notice or other communication sent by facsimile will be deemed to have been received on the day of transmission. However, if the date of transmission is not a Business Day or the transmission is sent after 4.30 pm on a Business Day then the notice or other communication will be deemed to have been given on the next Business Day after the date of transmission.



11 COUNTERPART EXECUTION

The parties may execute a counterpart copy of this agreement by executing a facsimile copy, photocopy of a facsimile copy or PDF email copy of this agreement. The transmission by facsimile or PDF email by each party of a signed counterpart copy of this agreement to the other parties shall be deemed proof of signature of the original and the signed facsimile or PDF email copy so transmitted shall be deemed an original for the purposes of this agreement.



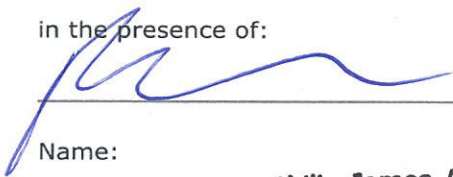
EXECUTED AS A DEED

SIGNED for and on behalf of
Snakk Media Limited by:



Director

in the presence of:




Name:

Phillip James Ascroft
Solicitor
Auckland

Occupation:


Address:

SIGNED for and on behalf of
Far East Associated Traders Limited
by:



Director

in the presence of:



Name: MAYA HANDLEY

Occupation PHOTOGRAPHER

Address: BROOKLYN, NY USA