

SNK – MARKET UPDATE

23 February 2016

SNACK ANNOUNCES SHARE SALE PLAN

AUCKLAND, New Zealand, 23 February 2016 - Snakk Media Limited (NXT:SNK) is today announcing its plan to launch a Share Sale Plan before the end of February.

The Share Sale Plan will give smaller shareholders, those who hold 1,000 shares or less, the chance to either sell their shares or increase their holdings in a cost-effective manner. At the same time, investors with larger shareholdings will also be given the opportunity to buy more shares.

The Share Sale Plan is subject to the approval of the new constitution at the Special Meeting of Shareholders to be held in Auckland on 25 February.

The Share Sale Plan will benefit Snakk by helping to rationalise its share register, which currently has nearly 3,500 shareholders, many of whom have very small shareholdings. Snakk's Board believes that this is a large number for a company of its size and appreciates that many shareholders did not obtain their shares voluntarily.

Snakk incurs higher administrative costs as a result of having such a fragmented shareholder base, so it is in the interests of all shareholders to make the register smaller. It also makes funding Snakk's future growth opportunities more challenging.

However, Snakk appreciate that relatively high brokerage costs compared to the value of a small parcel of Snakk shares makes it less attractive for small shareholders to sell their shares. This affects all shareholders as it reduces the liquidity of Snakk's shares.

The Share Sale Plan will help address these issues:

- The Plan offers a cost effective method for small shareholders to dispose of small parcels of shares, as Snakk co-ordinates the sale of their shares and pays brokerage on their behalf.
- Under the Plan, Snakk will also allow those small shareholders who wish to continue to hold shares to "top up" their existing holdings.

As part of the Plan the Company intends to give notice to those shareholders holding fewer than 500 shares that they must participate in the Share Sale Plan (or otherwise increase their holding) or their shares will be sold compulsorily.

Background to the Share Sale Plan

In the past year, Snakk has undertaken a Capital Strategy Program to provide it with the leadership, capital, shareholder base and market support it needs to continue its growth trajectory and expansion into Southeast Asia. The Share Sale Plan continues this process.

To recap on these steps:

- Snakk has refreshed and reinvigorated the Board, with Peter James' appointment as Chairman and the appointment of Martin Riegel and Rob Antulov as Independent Directors.
- Snakk undertook a successful capital raising of \$2.2m (an increase from its original target of \$1.5m), providing the company with the capital it needs to take advantage of organic growth opportunities. It also allowed Snakk to welcome new, supportive, large shareholders to its register.

- At the same time, Snakk transitioned its listing to the NXT Market – Snakk is focused on providing ongoing, transparent benchmarks, in the form of Key Operating Milestones which are provided under the NXT Market Rules. In time, Snakk believes that the NXT Market’s other features of research and market making will benefit all shareholders.
- In January, Snakk consolidated its share base, giving all holders one new share for every 20 shares held previously. This was not just done for “optical” reasons – it assists liquidity and will make the Plan even more effective.

Although Snakk will cover the costs of the Share Sale Plan, the Plan does not otherwise draw on Snakk’s capital. However, the Plan will reduce the company’s administrative costs going forwards, as well as providing a more condensed share register, providing benefits to the company as it looks for further growth opportunities.

Full details of the Share Sale Plan will be released on Friday, 26 February 2016, following the Special Meeting to be held in Auckland on Thursday, 25 February 2016 at 1.30 pm, subject to the approval of the new constitution at that meeting.

ENDS

For media enquiries, please contact:

Julie Landry, +64 21 895 098, Julie.Landry@snakkmedia.com

For investor enquiries, please contact:

Heidi Aldred, Company Secretary, +61 410 802 992, investors@snakkmedia.com
www.snk.co.nz, www.twitter.com/snakkmedia

John Moore, Managing Director, Miro Capital Advisory, +64 9 213 3474, john@mirocapital.co.nz