

21 February 2012

**ASX RELEASE**

**Notice under Section 708A(5)(e) of the Corporations Act 2001 (Cth)**

Dear Sir,

The notice is given by Mobile Embrace Limited (**Company**) under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Act**).

The Company advises that on 20 February 2012, it issued 61,111,107 fully paid ordinary shares (**Shares**) in the Company to sophisticated investors as defined in the Act.

**Secondary Trading Exemption**

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By the Company giving this notice, sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- a. the Company has issued the Shares without a disclosure document for the Shares being prepared in accordance with Part 6D.2 of the Act;
- b. as at the date of this notice, the Company has complied with:
  1. the provisions of Chapter 2M of the Act (as applicable to the Company; and
  2. section 674 of the Act; and
- c. as at the date of this notice, there is no information:
  1. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  2. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - ii. the rights and liabilities attaching to the Shares.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Paul Jeronimo'.

Paul Jeronimo  
Company Secretary