



mootermedia

Mooter Media Limited (ASX: MMZ – OTCQX: MOTMY)

ABN 26 059 081 293

Monday, November 21, 2011

**Mooter undertakes \$2.3m (approx.) funding
via a discounted rights issue and share placement.**

Mooter Media Limited (ASX: MMZ – OTCQX: MOTMY) is pleased to advise of a 1:10 non-renounceable Rights Issue to existing shareholders, together with a \$1 million placement to Australian and international institutional investors.

The Rights Issue has been priced at an attractive discount to market, acknowledging the strong support and backing of the Company by its shareholders over the period of its key product development. ImageSocial, the world's first comprehensive social photography platform, developed in conjunction with Hot Shot Media, has required a dedicated, concerted and time-consuming focus – a strategy that is now at an exciting level of culmination.

The Company recognizes that the continued loyalty of its shareholders and investors has made possible the progress, development and completion of the globally significant ImageSocial platform and its related photo-driven derivatives. Shareholders will be aware, through recent announcements, of the strategic alliances entered into with both La Jolla Cove Investors and Droga5, intended to equip the Company with the necessary capital and strategic resources, respectively, to proceed to a full-scale launch of ImageSocial. Mooter was committed to providing shareholders with an opportunity to participate in an attractive equity investment prior to the release of ImageSocial's extensive global marketing campaign, led by Droga5 in conjunction with key brand and celebrity partners.

The Rights Issue will be priced at \$0.005 per share, a substantial discount to current market prices, allowing shareholders to further benefit from the Company's upcoming product and announcement pipeline and share in future growth. Existing shareholders will be offered the opportunity to subscribe for one (1) new ordinary Share for every ten (10) shares held as at the Record Date, being 30 November 2011. All Shareholders with a registered address in Australia or New Zealand as at the Record Date are eligible to participate in the Rights Issue.

Based on the current capital structure (and assuming no Options are exercised prior to the Record Date), if the Rights Issue is fully subscribed, an additional 264,250,601 Shares will be issued and approximately \$1,321,000 (before costs) will be raised through the issue.

The Company will offer the shares under the Rights Issue without issuing a prospectus. Instead, the Company has lodged with ASX a notice in accordance with section 708AA(2)(f) of the *Corporations Act 2001* (Cth) as notionally modified by ASIC Class Order 08/35.

Shareholder approval is not required for the Rights Issue.

The Company is also undertaking a \$1 million placement to Australian and international institutional investors concurrent with the Rights Issue and at the same issue price. The Rights Issue and placement provide up-front capital liquidity to immediately broadcast the first component of an aggressive and expansive international marketing campaign surrounding the launch of the Company's hallmark products in Q1 2012. Particularly, the proceeds will allow the Company to accelerate these efforts and commence an initial, pre-launch promotional campaign for the ImageSocial social photography platform. This will be led by marketing strategy partner Droga5, the fastest-growing independent agency in the US, and formulated in conjunction with major brand partners, personalities and celebrities to provide sustained exposure and momentum over the holiday period and beyond.

Eligible shareholders who wish to take up their entitlement under the Rights Issue need do nothing at this time. An Offer Document which outlines the terms of the Rights Issue will be sent to eligible shareholders, together with a personalised Entitlement and Acceptance Form, on or about 5 December 2011.

Option Holders

There are presently 801,257,281 options to acquire Shares (**Options**) on issue. In order to participate in the Rights Issue, Options must be exercised prior to the Record Date. The Company will advise Option holders of their right to participate in the Rights Issue should they choose to exercise their Options prior to the Record Date, however, the Board does not anticipate any Option holder taking that action, given the exercise price of the Options.

TIMETABLE

The timetable for the Rights Issue is as follows:

Summary of Important Dates

Announcement of Rights Issue and Share Placement, lodgement of Appendix 3B and Cleansing Notice with ASX.	21 November 2011
Lodge Offer Document with ASX and notice to Option Holders despatched.	22 November 2011
Send Notice to Shareholders (containing information required by Appendix 3B)	23 November 2011
Shares Trade ex-entitlement	24 November 2011
Record Date to determine Entitlements	30 November 2011
Despatch date for Offer Document and serially numbered Offer Entitlement and Acceptance Form to shareholders	5 December 2011
Announce to ASX that despatch has been completed	5 December 2011
Closing Date 5.00pm AEST (Sydney time) (Last day for acceptance and payment in full)	19 December 2011
Securities quoted on a deferred settlement basis	20 December 2011
Notify ASX of any Shortfall	21 December 2011
Despatch of Holding Statements	22 December 2011
New Shares Expected to Commence Trading	23 December 2011

The timetable above is indicative only and may change, subject to the requirements of the ASX Listing Rules and the Corporations Act 2001 (Cth).

The Company reserves the right to amend this indicative timetable. In particular, the Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the Closing Date without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the issue of New Shares.

Shareholders should carefully read the Offer Document that will be sent to them and have regard to all publicly available information on the Company, including all announcements made by the Company to ASX.

About Mooter Media Limited

Mooter Media (ASX:MMZ – OTCQX:MOTMY) is a developer and provider of digital media solutions. The Company offers unique solutions in online marketing, including the *Mooter adVantage* contextual advertising platform and generates significant on-line advertising revenue through its wholly owned subsidiary, Project Search Pty Ltd.

Mooter is a joint venture partner with Hot Shot Media Group (HSM), the developer of a novel photo-focused networking, social gaming and contest platform incorporating revolutionary social photography concepts and allowing users to have fun with their memories. (see www.hotshotmedia.com); and Woophy, a geo-targeted online photo community (see www.woophy.com).

Mooter Media has an interest in Entellect Limited (ASX:ESN), a developer of educational software, and is also a joint venture partner with ESN and HSM in Knowledge Nation, a global coordinator of educational games initiatives that are fun, compelling and desirable to children and designed to improve acquisition and retention of curriculum objectives. These products are used at home by students beyond formal school hours. (See www.entellecsolutions.com)

Mooter is listed on the ASX as its home exchange and trades in the United States on OTCQX at a 1:200 ratio to the ordinary, fully paid, shares listed on the ASX. Mooter has its offices in Sydney and representative offices in Singapore and San Francisco.

For further information, please contact:

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