

**Mooter Media Limited (ASX: MMZ)**  
ABN 26 059 081 293

## **Heads of Agreement with Hot Shot Media Pty Ltd**

**Sydney, Australia – 17 February 2009**

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**Mooter Media Limited (“Mooter”) is pleased to announce that it has signed a Heads of Agreement with Technology Innovation & Development Company Hot Shot Media Pty Ltd. (“HotShot”)**

HotShot is the developer of a unique and exciting suite of interactive online entertainment products based on the revolutionary convergence of social gaming and networking wrapped around digital imagery and photography. The initial development of HotShot’s photo networking platform is nearing completion, and an initial, open beta launch of that platform to select global markets is due within a number of weeks.

Pursuant to the Agreement executed by the parties on 16 February 2010, Mooter has been granted the first rights to sign an exclusive revenue sharing, Sales and Marketing Partnership with HotShot. The Partnership will jointly market and commercially exploit the full suite of HotShot games, gaming and competition based products.

HotShot was founded in early 2009, by its current Chairman (and recently appointed Mooter Chairman), Peter Jermyn. Hot Shot Media, Inc. was then established as a subsidiary corporation in San Francisco to become the major development arm of the project and of the Hot Shot Media Group. A second corporate, marketing and development arm (Hot Shot Media Pte Ltd) has also been established in Singapore.

The Hot Shot Media Group is a well-funded and highly resourced group. The group has raised significant capital and interest through the completion of fund raising rounds to well-credentialed and high net worth sources in Australia and internationally.

Making comment on HotShot’s origins, Mr. Jermyn said:

*“HotShot’s objective was to create an online entertainment platform that could transcend the language, economic, cultural and other boundaries that have traditionally restricted global-scale participation.*

*“It had to be a platform that excited, captured and immersed as large a world-wide audience as was imaginable.*

*“HotShot believes it has developed the concept and the interface capable of doing exactly that. In the process it has originated a raft of unique and highly exciting entertainment, active participation and gaming concepts.*



*“HotShot now finds itself engrossed within the dynamic surrounds of several multi-billion dollar industries occupying the prolifically expanding online arenas of casual games, social networking and global entertainment connectivity. HotShot uniquely populates, however, a simple, potentially huge, but as-yet-undeveloped or unrecognised niche within the social gaming space. The concept has the real ability to grow into a massive interconnect of entertainment and web gaming technologies.*

*“HotShot’s unique concepts and applications, particularly its game-changing hallmark product currently being developed, will allow participants to engage in revolutionary new ways to communicate – ways to engage in and share entertainment activities that are completely novel and, yet, totally familiar. A worldwide audience will be able to reach out, connect and interact with co-participants across a vast global network, unimpeded by any of the normal barriers that previously restricted them.*

*“HotShot’s revolutionary photo-centric, ‘image-active’ focused networking platform will enable people to use a simple medium to connect into an environment of social networking and gaming that will provide compelling and spontaneous entertainment that may, very well, change the way the world sees, uses and enjoys the web.”*

Independent Mooter Director, Mr. Nicholas Stavropoulos, said:

*“I have only recently been introduced to the full gambit of the HotShot concept, its developments, its team and its array of ideas and products. Being in the online business for many years, I have a sound knowledge of the space, but I have to say that the HotShot concept is extraordinary. The numbers – both in terms of users and dollars – reflected in HotShot’s targeted markets are simply colossal.*

*“I noticed in a recent article in the New York Times that it is anticipated that the world’s largest online social gaming provider, \*Zynga, will launch an Initial Public Offering this year at a valuation of between USD \$1.5 billion and \$3.0 billion.*

*“The reason for such unprecedented market interest is obvious: \*Zynga titles that did not exist this time last year have leapt to active user bases exceeding 65 million. It is just incredible that their MAU (monthly active users) have leapt from 21.5 million to over 150 million in only nine months.*

*“With the market expected to grow at some \$60 million per month to a total of \$2 billion per annum by 2012, HotShot is clearly in a very lucrative space indeed.*

*“HotShot’s unique differentiations and monetization methods and their clever concepts place them in an advantageous position to match and upstage their larger competitors.*

*“It is worthy of note that photo management application \*Flickr now hosts over 4 billion photos, while \*Facebook – the world’s largest image host – claims over 15 billion – a figure that apparently increases by around 14 million every day.*

*“Hot Shot Media’s innovative products have the ability to tap into the unrealised potential of these photos and the content and excitement within them. This has the scope to deliver a rich, immersive and rewarding user-experience that can harness – rather than compete with – the broad, multicultural user bases of the world’s largest photo management and social networking sites.*

*“Most significantly, the way I understand the HotShot concept will operate, they are essentially flipping the current economic model, used by most of their contemporaries, on its head. Most online business in this space, particularly those in the social networking arena, start gaining material revenue – and certainly positive revenue – only after a very significant lead time; and that revenue primarily comes from advertising. Not so in the case of the HotShot model. It is forecast to generate revenue from commencement and its financial success is not dependent, at all, on advertising income.*

*“I truly feel that the Mooter ~ HotShot partnership is capable of delivering an entertainment experience and destination site that has the potential to rival the web’s largest in terms of scale, scope and revenue growth.”*

Commenting further on the Partnership and the Agreement, Mr. Jermyn said:

*“I see the partnership as a mutually beneficial alliance.*

*“HotShot clearly brings an extraordinarily exciting project to Mooter, together with the opportunity for it to share in massive revenue potential and dynamic growth, while Mooter, in turn, brings to the partnership:*

- ❑ *a public forum for investor interest;*
- ❑ *a trading bourse for investment;*
- ❑ *an increased financial press and IT media coverage;*
- ❑ *an increased promotional exposure and*
- ❑ *a higher credibility acceptance, because of the transparency and reporting disclosures required of listed, public companies.*

*“Although HotShot intends to form a number of significant economic alliances with major international corporations in order to fully realize the massive upside of this immensely popular form of active entertainment, there will be no other partnership of a similar nature to that to be encompassed in the Mooter Sales and Marketing Partnership.*

*“Mooter’s revenue potential through the Sales and Marketing Partnership could be immense. The arrangement affords them significant influence over the sales, marketing and deployment of HotShot’s photo networking platform and its gaming and entertainment concepts.*

*“HotShot is also well advanced in the final selection of its commercial sponsoring partners. Those partners identified are iconic in name, global in reach and lend additional recognition, strength and acceptance to and of the product. Mooter will participate in all of these activities, arrangements and financial benefits.”*

The companies intend to now finalise and complete the formal Sales and Marketing Agreement.

Because of various related party involvements and other matters, that agreement will require the approval of Mooter shareholders at a forthcoming meeting. The meeting will be convened as soon as is practically possible.

Due to the incredibly competitive nature of the online entertainment and gaming industry and the revolutionary way that HotShot has incorporated many new and captivating features, HotShot has requested that disclosure of proprietary and/or confidential facts and details are contained to the maximum extent possible at this time.

On this point, Mr. Jermyn said:

*“For obvious reasons, HotShot would like to operate in ‘stealth mode’ for as long as it possibly can. Some of the unique ideas, developments and solutions in terms of novel innovations, game concepts and scalability architecture, to mention only a few, are extremely commercially sensitive. Both companies need to diligently protect them. With the approaching launch of one of the products, however, details will shortly emerge.”*

Hot Shot Media, Inc. (the US subsidiary of HotShot) is known to boast a team of outstanding, internationally qualified and experienced professionals. They specialise in all forms of technical innovation. The collective team has significant expertise in the management of online projects from concept ideation through to product launch, marketing and delivery. HotShot have advised that from inception, that company has contracted the services of one of the world’s most highly regarded and credentialed gaming law attorneys. His role was and continues to be to actively advise, recommend and assist HotShot in the crucial area of international gaming regulations.

Hot Shot Pte Ltd (the Singapore arm of HotShot) will focus on specific product development, quality assurance and the further advancement of unique technical architectures and systems testing methodologies, particularly those relating to the scalability of online and web applications. That company will also play a significant role in global marketing, sponsorship management and promotion.

On the corporate structure Mr. Jermyn said:

*“The Singapore arm is both important and pivotal.*

*“HotShot intends to fully tap into Singapore’s burgeoning infocom industry and the quality of graduates that come through their technical universities. Additionally, its commercial, taxation and infrastructural advantages are significant, while its perceived neutrality and geographic centrality will become key factors as the mission to go ‘totally global’ continues to advance. The Asian region is one of various key focus areas for HotShot, and the company is absolutely committed to leveraging all of Singapore’s benefits to make it a key strategic and developmental base.”*

In summing up, Mr. Jermyn made the following remark:

*“Clearly one could attribute a lot of bias to my comments and my views. I doubt that I have seen, however, a company-making opportunity that is more exciting than HotShot, or that has such growth potential and revenue scope. HotShot, and now, through the partnership connection, Mooter, are in the midst of the new online phenomenon of social gaming.*

*“HotShot have developed an innovative way of combining or converging elements of many of the successful online applications within the gaming and networking space and put a radical but simple twist on the way it will be delivered.*

*“HotShot has built an outstanding technical and management team, under the guidance of its CEO, Mr. Danny Maco, capable of fully supporting their unique innovations and technical achievements. I am totally confident that the Hot Shot Media Group team has the ability, experience, drive and dedication to meet the aggressive goals that have been set.”*

The Mooter Board has resolved to form a Special Advisory Board/Committee of the Company to assist, advise and recommend to the Mooter Board, ideas, concepts and planning strategies designed to maximize the value and revenue worth of the HotShot project and the operations of the Partnership.

Mooter is delighted that three exceptionally talented members of the Hot Shot Media Group team, namely Professor Paul Fullwood, Ms. Jeannine Smith and Mr. Stewart Bonn have agreed to join Mr. Peter Jermyn on the Special Advisory Board.

Profiles of each of the above are set out below:

### **Professor Paul Fullwood**

Paul Fullwood has an extraordinary background in both technology and content development in all forms of interactive entertainment in a career spanning 25 years. He founded his own software development company in the USA in 1979, moving the company on in to television production and technology and consultancy for ten years.

As multimedia technology and content developed during the eighties, Paul moved on into development and production for console and PC platforms. In 1996 he co-founded \*Lightspan Inc., a company developing educational games for the \*Sony Playstation. In 1999, he joined \*Hasbro Interactive as VP Head of Worldwide Studios where he ran a team of 230 developers with a US\$26 million budget. In 2001 he founded \*Digital Animation Inc., a venture capital funded company with unique video compression technology.

Prior to joining Hot Shot Media, Paul was Professor at the International Centre for Computer Games and Virtual Entertainment (IC\_CAVE) at the University of Abertay, where he also served on the Academic Senate.

**Ms. Jeannine Smith**

Jeannine Smith brings more than 20 years of operation, engineering, and networking experience to the Hot Shot Media Group. Preceding her role at HotShot, Jeannine was Senior Vice President of Operations of billion-dollar photo management company \*Shutterfly, Inc. (NASDAQ:SFLY) from 2005-2007. In this position, Jeannine was responsible for all strategic and operational facets of \*Shutterfly's manufacturing and global order fulfillment operations. She was Chief Engineering Officer at \*Shutterfly from 2001-2006.

Prior to \*Shutterfly, Jeannine spent seven years at \*Silicon Graphics, where she worked as the principal engineer designing Internet-based video conferencing and professional film and video applications. Before \*SGI, Jeannine worked at a number of networking companies, including \*Ungermann-Bass and \*Protocol Engines, building routers and designing chips and protocols.

Jeannine earned her BS in Electrical Engineering from Stanford University.

**Mr. Stewart Bonn**

Stewart Bonn is one of the true pioneers of the computer gaming world, successfully managing the monetization of all styles of games for over 25 years. He joined \*Electronic Arts (who recently acquired social gaming company \*Playfish in a deal reportedly worth over \$400 million) in 1983 as one of their first employees, and produced many of \*Electronic Arts' most successful titles. As Senior Vice President and General Manager of \*EA Studios, he directed the development for all PC and videogame cartridge games.

In 1999 he joined \*There Inc., a massively multiplayer internet services start-up in Menlo Park where he was Vice-President, Production.

In early 2006, he joined \*Bix.com as VP, Talent and Co-founder. \*Bix.com hosted contests that included an "American Idol" style singing contest, but ranged far beyond that into comedy, photography, art, and writing, before being acquired by \*Yahoo in 2007.

Stewart earned a BS in Electrical Engineering and Computer Science from UC Berkeley.

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**About Mooter Media Limited**

Mooter Media is a developer and provider of digital media solutions, including a targeting and analysis platform that predicts personalises and delivers more relevant advertising to an advertiser's target audience.

For further information visit [www.mootermedia.com](http://www.mootermedia.com), or contact:

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