

**ASX Release
26 March 2014**

Mobile Embrace Completes \$11.75 Million Capital Raising after Strong Support from Australian and International Investors

Mobile Embrace Limited (ASX: MBE), a leading mobile payments and mobile marketing company, is pleased to announce the successful completion of a \$11.75 million capital raising by way of placement predominantly to prominent Australian and International institutional investors (**Placement**).

Mobile Embrace received demand substantially in excess of the total number of new shares offered under the Placement, said Mobile Embrace CEO Chris Thorpe.

The Placement follows Mobile Embrace posting a Net Profit of \$1.62 million for the six months ended December 31 2013, a 315% increase on the entire 2013 financial year. Revenue for the six-month period increased 65% to \$9.54 million from the previous corresponding period.

"The capital raising is an important milestone, allowing Mobile Embrace to build on its growing market position as an enabler for businesses to reach and transact with the large and increasing volume of consumer traffic moving to mobile devices, and monetise the transactions," said Mr Thorpe.

"We were extremely pleased with the strong level of interest in the capital raising, which was very well supported by an outstanding list of local and international institutional investors."

The Placement was completed at 26 cents per share, representing a 1.9% discount to MBE's closing price on Friday 21 March and a 4.2% discount to MBE's 5-day VWAP (27.1 cents).

The proceeds of the Placement will be primarily used for the expansion of existing and new offerings in current markets, entry into new territories with new and existing partners through organic growth, strategic acquisitions and for general working capital purposes.

"This funding provides us with the ability to build on our efforts in the Australian and international markets. This Placement also leaves Mobile Embrace, that was already debt free, with an extremely strong balance sheet to pursue further expansion opportunities," said Mr Thorpe. "We are very excited about the future growth prospects of Mobile Embrace."

Mobile Embrace has firmly positioned itself as a leading mobile payments (m-payments) and mobile advertising (m-marketing) business with its end-to-end mobile marketing (including advertising), and m-payments infrastructure which produces campaign and strong annuity based revenue streams in a rapidly expanding industry.

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Mobile Embrace generates its revenue from consumers paying for the products and services of content providers and business partners on their mobile devices, and from agencies and brands paying to reach and engage with consumers on their mobile devices.

"We are in the fortunate position of having built a strong share register that now includes numerous prestigious Australian and international institutional investors," said Mr Thorpe

Wentworth Global Capital Finance Pty Limited acted as equity capital markets adviser to the Company while BBY Limited and Blue Ocean Equities Pty Limited were joint lead managers and book runners to the Placement.

New shares issued under the Placement will rank equally with existing shares on issue. Shareholder approval for the issue of shares under the Placement is not required.

In conjunction with the Placement, some of the significant demand by existing professional and sophisticated investors has been satisfied by a partial sell down by two executives, Mr Neil Wiles (Managing Director) and Mr Chris Thorpe (CEO) of 4.5 million shares each along with their agreement to the customary six month standstill arrangements. Neil Wiles and Chris Thorpe each retain substantial shareholder interest in Mobile Embrace, have no sale plans, and continue their long standing commitment to the Company.

Mobile Embrace has requested the trading halt be lifted following the release of the announcement

About Mobile Embrace Limited

Mobile Embrace Limited (ASX:MBE) is a mobile payments and mobile marketing company. Utilising its end-to-end and award winning mobile marketing, advertising and m-payments infrastructure (including a Tier 1 local/global premium publisher advertising network, mobile media trading desk, m-commerce and mobile marketing platforms and applications) it enables the reach, engagement, transactions with and embracement of consumers via mobiles and tablets. For more information please visit: www.mobileembrace.com

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