

Urban Marketing Limited

Investor Update - October 2012

SYDNEY, AUSTRALIA: Wednesday, 10 October 2012

1. EUROPEAN PATENT EXAMINATION

We have continued to invest in protecting our intellectual property with the progression of the European “TappnGO” patent. The Examination phase has been partially completed with a response to the anticipated series of questions by the European examiner.

A response from the European patent office is expected in the next couple of months which will determine when it moves into the final Issuance Phase. We don’t anticipate any big issues in this next phase.

Countries filed in the European patent include most of Western European countries, plus some non-NATO aligned jurisdictions. See appendix A for a full list of countries included under the Patent Co-operation Treaty (PCT) grouping “Europe”.

2. NEW PATENT

In line with our strategic objective of continuing investment in intellectual property we have filed in Australia and the United States a provisional second patent entitled “Systems and Methods for Monitoring Media Interactions”.

3. “Tappn’GO” ADVERTISING PLATFORM DEVELOPMENT

Prototyping of an example Tappn’GO™ mobile video advertising campaign was completed in June 2012 utilising our in-house developers with the customer facing end-piece being a standard Apple (iOS) application. The prototype iPhone/iPad app successfully demonstrated that our TappnGo interactive mobile video technology works in a real-time environment with all the anticipated capabilities technically feasible - even when it was transmitting content and advertising messages from the servers in Japan to an iPhone and iPad located in Australia.

The prototype was called “NYNE Sports Apparel” which is a “made-up” brand, able to be used as a demonstrator to prospective customers, investors and distributors.

The “NYNE” prototype allowed the iPhone viewer to interact with a video on their iPhone by responding to advertising questions during the video, posting to social media (Facebook), and pushing the viewer out to external websites (to allow the viewer to buy a pair of shoes as an example).

Work continues on the TappnGo Production platform with technological advances continuing and key challenges being overcome on a weekly basis. This is in line with the anticipated development schedule with initial test commercial usage by paying customers anticipated to commence approximately Feb 2013 (subject to no major technical challenges or interruptions).

4. AGENT AGREEMENTS & BUSINESS DEVELOPMENT OPERATIONS



We have been conducting negotiations with possible agency & distribution partners in Japan and are close to finalising those agreements. These partners have high level access to key media decision makers and investors which will allow us to leapfrog into large corporations and rapidly raise capital in line with our strategic objectives. Accessing the Japanese media and investor markets through these types of arrangements will allow us to rapidly expand operations, roll out additional features, and add more value to shareholders in line with anticipated plans.

Business development discussions continue with Australian, Japanese and U.S based media and advertising sales prospects.

5. NEW INVESTORS

We welcome new investors to the Urban Marketing Limited share register. Their contribution makes possible a more rapid approach to product development, continued business operations and rollout of the TappnGO platform.

6. JAPAN (TOKYO) BRANCH OFFICE NOW OPEN

The Tokyo Branch Office is now open and allows us to continue the process of networking & business development operations key to doing business in Japan.

Due to the cultural aspects of conducting business in Japan for prospective media and entertainment customers, an established footprint and a network of contacts able to make introductions is absolutely necessary.

7. WEBSITE UPDATE

A new corporate website with a fresher and cleaner look has been deployed which will allow us to better communicate with corporate stakeholders. Please see www.urbanmarketing.com.au for the new look.

The TappnGo website has been scheduled for upgrade to better communicate the features, benefits and capabilities of the system.

Sam Wilson

CEO
Urban Marketing Limited

APPENDIX A

European Countries Covered under PCT “Europe”

AT	Austria	1 May 1979
BE	Belgium	7 October 1977
BG	Bulgaria	1 July 2002
CH	Switzerland	7 October 1977
CY	Cyprus	1 April 1998
CZ	Czech Republic	1 July 2002
DE	Germany	7 October 1977
DK	Denmark	1 January 1990
EE	Estonia	1 July 2002
ES	Spain	1 October 1986
FI	Finland	1 March 1996
FR	France	7 October 1977
GB	United Kingdom	7 October 1977
GR	Greece	1 October 1986
HR	Croatia	1 January 2008
HU	Hungary	1 January 2003
IE	Ireland	1 August 1992
IS	Iceland	1 November 2004
IT	Italy	1 December 1978
LI	Liechtenstein	1 April 1980
LT	Lithuania	1 December 2004
LU	Luxembourg	7 October 1977
LV	Latvia	1 July 2005
MC	Monaco	1 December 1991
MT	Malta	1 March 2007
NL	Netherlands	7 October 1977
NO	Norway	1 January 2008
PL	Poland	1 March 2004
PT	Portugal	1 January 1992
RO	Romania	1 March 2003
SE	Sweden	1 May 1978
SI	Slovenia	1 December 2002
SK	Slovakia	1 July 2002
TR	Turkey	1 November 2000