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ANNOUNCEMENT

18 JUNE 2007

SHARAF AUTOMOTIVE GROUP LAUNCHES VMOTO

It is with great pleasure that the Board of Vmoto Ltd announces the successful launch of the Vmoto brand in the Middle East, by Sharaf Automotive Group (Sharaf AG). The official launch of the brand coincided with the inaugural opening celebration of the Vmoto Concept Retail outlet in the exclusive Times Square Center. The launch was attended by Vmoto Ltd Group Chief Operating Officer, Mr. Terry Jones, who, along with Mr. Sharafuddin Sharaf, Vice Chairman of Sharaf Group, had the honour of the official ribbon cutting.

Patrick Davin, Managing Director of Vmoto Ltd commented, "It is both a pleasure and an honour to see the launch of the Vmoto brand in Dubai. The Dubai market really is a showcase arena for the Middle East, in terms of luxury goods, automotive products and now the coolest scooter brand on Earth. I have every confidence that Sharaf AG will make the brand a success story in the region"

Please find below the Sharaf AG Press release from the events of last week.

SHARAF AUTOMOTIVE GROUP LAUNCHES THE EXCLUSIVE VMOTO BRAND IN THE MIDDLE EAST

Sharaf Automotive Group (Sharaf AG), a fully-owned subsidiary of the UAE-based Sharaf Group conglomerate, has recently signed an exclusive distribution agreement with Vmoto, a leading Australia based scooter brand, covering the United Arab Emirates market with the provision to become the Master Distributor for the Middle East servicing 13 countries.

Under the agreement, Sharaf AG will distribute and market Vmoto motor scooters and all-terrain vehicles (ATVs), which include: Milan, Miami, Mercury, Monaco, Montego, ATV90, ATV250 and ATV500. Vmoto scooters are distributed throughout Australia, New Zealand, and the United States. In conjunction with the execution of the distribution agreement, Sharaf AG has received the initial order of cutting edge scooters and ATV's for the brand savvy Dubai consumer marketplace.

"We are excited about this agreement with Sharaf AG. It marks a significant step in realising our ambitions to grow internationally. We look forward to a long relationship with Sharaf AG that will provide compelling opportunities now and in the future as we continue to grow our product line to offer more unique and differentiated scooters to the market," said Terry Jones, Group Chief Operating Officer Vmoto Limited.

The strategic objective of achieving complete domination for the Vmoto brand in the Middle East premium scooter market will be driven by Mr. Bassem Ghanem, General Manager of Sharaf AG. Mr. Jones commented that "Mr. Ghanem's passion for the brand, strategic vision and technical expertise has given the Board and Senior Executive of Vmoto Limited great optimism for the future of the brand in the region."



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In line with Phase 1 of the Sharaf AG rollout strategy, the inauguration of the first Vmoto showcase destination outlet has taken place in Dubai's recently launched Times Square Center on the Sheikh Zayed Road. The inauguration was attended by Mr. Sharafuddin Sharaf, Vice Chairman of Sharaf Group, and Terry Jones, Group Chief Operating Officer, Vmoto Limited, who flew in from Australia.

"This agreement is a new milestone in our go-to-market plan for the region. Since our establishment we have successfully developed steady and strong relationships with our international partners and global brands," stated Sharafuddin Sharaf. "We are very excited about our most recent partnership with Vmoto, which is a brand that is witnessing an increasing global presence and has successfully created a lifestyle around the brand."

Vmoto scooters are chosen worldwide because of their quality control systems, impeccable attention to detail and world class research and development facilities. All Vmoto scooters carry full volume compliance having passed the Australian Design Rules with flying colours and are built to accommodate harsh weather conditions.

About Vmoto Limited:

Vmoto Limited is a motorcycle and scooter manufacturing and distribution group listed on the Australian Stock Exchange.

The Company currently owns the Vmoto motorcycle brand, based in Australia and Freedomotor Limited, a specialist motorcycle trading company based in Shanghai, Peoples Republic of China.

Vmoto is a wholly-owned Australian motor cycle brand specialising in hi tech motor scooters. Vmoto's uses state of the art production facilities situated in the Peoples' Republic of China where the scooters come off the production lines some of the world's largest motor cycle assembly operations. Vmoto's philosophy has been to bring scooters to the mass market by making them affordable, ultra stylish and hassle-free with class-leading reliability.

Vmoto's global headquarters is located in Perth, Western Australia. Freedomotor Company Limited ("FMC") Shanghai based international motorcycle trading and distribution company. FMC has Major OEM clients located in Europe, Australia, North America, South America and South Africa, with established distribution in over 50 countries.

About Sharaf AG:

Sharaf AG LLC is the Automotive arm of Sharaf Group. Established in 2007 to handle the expanding market of Automotive systems, applications and solutions.

The new division was created to secure and service distribution and licensing opportunities in the lucrative premium branded automotive, motor sport and motorcycle markets of the Middle East and specific African markets.

An alliance has been reached between Sharaf AG LLC and Vmoto International of Australia, whereby Sharaf AG would be appointed exclusive agents for Vmoto brand in the UAE with the option for an additional 13 countries within the region.



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The first step was to enter and develop the scooter market in the Middle East. As a commitment to the rapid market penetration in the Middle East Sharaf AG has opened its first Concept destination outlet in the exclusive Times Square Center on Sheikh Zayed road; along with a state of the art dedicated service center and spare parts support operations.

Future Sharaf AG projects will include the expansion into the highly profitable OEM replacement Automotive spare parts, along with branded aftermarket products.