



ASX Release

25 January 2018

Animoca completes heavily oversubscribed \$3.25 million placement and enters lucrative AI and blockchain gaming market through acquisition of a controlling stake in Fuel Powered

Highlights

- Animoca Brands raised ~A\$3.25 million via a placement of approximately 54.2 million new shares at A\$0.06 per share (23% discount on last 5days VWAP) to sophisticated investors
- Animoca Brands to acquire controlling 60% stake US-based Fuel Powered, Inc. for an upfront cash consideration of A\$752,263
- Fuel Powered, Inc. has existing commercial relationships with SEGA and Axiom Zen.
- Acquisition provides Animoca with exposure to the lucrative artificial intelligence, blockchain and crypto gaming segments aligning strongly with the Company's strategy to expand and diversify its global business

Animoca Brands Corporation Limited (ASX:AB1) (**Animoca** or the **Company**) is pleased to advise that it has entered into a binding term sheet to acquire 60% of Fuel Powered, Inc. (**Fuel Powered**) from Lions Games Limited and also completed a heavily oversubscribed \$3.25m placement to new sophisticated and professional investors.

Acquisition details

Animoca will acquire 60% of Fuel Powered from Lion Games Limited for an upfront cash consideration of \$752,263. The Acquisition gives Animoca Brands a controlling stake in Fuel Powered, with the remaining 40% held by the founding management team of Fuel Powered.

Fuel Powered is a US-based developer of blockchain based gaming services and provider of a cloud based features-as-a-service platform that maximises bottom-line results for game publishers through artificial intelligence and machine learning. Fuel Powered earned revenues of A\$0.5m in 2017, and delivered a break-even result (based on non-audited management accounts). Fuel Powered's team of 8 people operates in the US. Clients of Fuel Powered include SEGA Publishing Europe Limited and Axiom Zen, the publisher of CryptoKitties.

Following the Company's investment in the AI accelerator Zeroth announced in December 2017, the Acquisition of a controlling stake in Fuel Powered represents the Company's strategic advances into the lucrative AI and blockchain gaming sectors, leading to opportunities for the development of new products utilising Animoca Brands' existing intellectual properties, brand relationships, licensed IPs and the strategic partnership with Mattel, Inc.

Fuel Powered's Mik Nayeem will join Animoca Brands as President of Games, North America.



Placement details

The Company is pleased to announce that it has successfully raised a total of ~A\$3.25 million through a placement of approximately 54.2 million new shares to sophisticated investors at an issue price of \$0.06 per share (**Placement**).

The Placement issue price represents a 23% discount to the last 5-day volume weighted average price. Taylor Collison was the sole lead manager to the Placement.

In addition, the Company also received a commitment from Board member and co-founder Yat Siu to subscribe for A\$100k of shares (approximately 1.7 million shares) subject to the necessary shareholder approvals at the Company's next general meeting.

The funds raised by the Placement will finance the Acquisition of Fuel Powered and provide working capital to support the Company's exciting growth opportunities.

Settlement of the Placement is expected to occur on or around 31 January 2018, and new shares under the Placement are expected to be issued on the next day under the Company's existing placement capacities pursuant to ASX Listing Rules 7.1 and 7.1A. Specifically, 15,134,061 new shares will be issued under Listing Rule 7.1, and 39,063,727 new shares will be issued under Listing Rule 7.1A. The new Shares issued under the Placement will rank equally with existing Animoca Brands shares, and the Company will apply for quotation of the new shares on ASX.

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About Animoca Brands

Animoca Brands (ASX: AB1) publishes globally a broad portfolio of mobile games and subscription products including several games and e-books based on popular intellectual properties such as Garfield, Thomas & Friends™, Ever After High and Doraemon. The Company is based in Hong Kong. For more information visit www.animocabrands.com or get updates by following Animoca Brands on [Facebook](#), [Twitter](#) or [Google +](#)

About Fuel Powered

Fuel Powered specializes in empowering mobile games with technology aimed at increasing and sustaining their lifetime and revenue potential. Fuel Powered is best known for its asynchronous multiplayer solution, Compete, which has recently passed the boundary of 200 million registered users worldwide. Fuel Powered's products have been successfully adopted by mobile game teams within SEGA, Bandai Namco, Codemasters and more.