

Linus Set to Launch World's First Video Blockchain

Linus announces blockchain strategy

Video virtualization makes a video blockchain possible

New York — December 20, 2017 — Linus Technologies Limited (ASX:LNU) today released its plans to deliver the world's first video blockchain.

The Linus virtual video blockchain (**Linus Blockchain**) has the potential to revolutionize the way video is distributed and consumed around the world. Video accounts for nearly 80 percent of Internet traffic.

With current methodologies, a video blockchain would be impossibly big due to the size of the video files. The internet standard video format of MP4 does not work in a blockchain. Virtual videos are fractions of a percent of the size of current videos. They're ideally suited as digital assets, which can be recorded, transferred, and managed by a blockchain.

The Linus Blockchain will allow users to transfer video in a manner that is guaranteed to be safe and secure, where all parties have full visibility of the transfer, and where the actual video will not play until all parties agree that the transfer was legitimate.

Linus aims to fulfill the promise of blockchain and move beyond cryptocurrencies. **The Linus blockchain is used to protect, distribute, and monetize the video itself.** When a virtual file is transferred, the Linus VVE will send the actual video data to be played out only after the content owners' rules have been satisfied.

Potential benefits of the Linus Blockchain include:

- Studios could have complete auditability across the entire distribution chain, maintained automatically, AND remove most intermediaries, expanding margins
- Content owners could distribute and monetize content with guaranteed tracking, royalty payments and audit
- Video assets can be validated as legitimate prior to playing the video, ultimately eliminating video piracy
- Users are passing content between themselves right now and often illegally. The Linus Blockchain accepts this behavior but ensures content owners are paid for it

In line with Linus' strategy of integrating with market leaders such as Microsoft, Amazon and IBM, the Linus Blockchain will utilize market leader Proof of Work¹ to guarantee the integrity of the ledger. Bitcoin and Ethereum both use Proof of Work.

A more detailed description of the strategy can be found on the company website.²

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¹ https://en.wikipedia.org/wiki/Proof-of-work_system

² <https://www.linus.com/wp-content/uploads/2017/12/Linus-Blockchain-FINAL.pdf>

About Linius Technologies Limited:

Linius Technologies Limited (ASX:LNU) has invented and patented the **Video Virtualization Engine™ (VVE)**, which is available on Amazon Web Services, Microsoft Azure and IBM BlueMix.

Amazon, Microsoft and IBM are investing billions in virtualizing video services (technologies) and artificial intelligence in the cloud. It is arguably the biggest battle on the internet, given that video accounts for nearly 80 percent of internet traffic.

Only Linius can expose the data that makes up the video file, making cumbersome video as flexible as all other forms of data. Accessing the data within the video file is the missing link for video cloud service providers, creating unparalleled value across the internet video industry.

Linius has the potential to transform many multi-billion dollar markets, and is initially focused on:

- **Anti-Piracy:** Applying proven data protection methods to video to solve piracy
- **Search:** Search within videos and compile new videos on the fly
- **Security and Defense:** Intelligent search and immediate distribution of security footage
- **Personalized Advertising:** Hyper personalized to individuals, timeslots and content

For more information please contact:

Chris Richardson, Chief Executive Officer

Linius Technologies Limited

www.linius.com / T: +61 3 8680 2317

Press and Media: pr@linius.com

Investor Inquires: ir@linius.com

General: info@linius.com