

8 January 2019

ASX and Media Announcement

Fatfish Investee Kryptos-X is now live

Fatfish Blockchain Ltd ("**Fatfish**", "**FFG**" or the "**Company**") is pleased to announce that its investee company Kryptos-X Pte. Ltd. ("Kryptos-X") has commenced trading operations of its non-security cryptocurrency exchange operations.

In 2018 Fatfish made a minority investment into Kryptos-X, a Singapore based marketplace and trading hub for digital assets and currencies, founded by trading venue industry veteran Tony Mackay. Currently the Kryptos-X marketplace is limited to digital assets that can be used for payments and are not securities (or otherwise prescribed and similarly regulated financial products).

The trading platform includes the following features and attributes:

- I. The Kryptos-X matching engine is one of the best trading experiences available to investors. Clients have access via web accessed cloud servers, as well as industry standard native APIs. Industry leading technology should encourage market makers and high frequency traders to provide liquidity, which can enable traders of all experience levels to interact with confidence on a professional-grade platform.
- II. Initially Kryptos-X will trade pairs in Bitcoin, Ethereum, Bitcoin Cash, XRP (Ripple) and Litecoin. New cryptocurrencies and tokens will be added based on customer demand.
- III. Security is of utmost importance to Kryptos-X and its customers. Protocols include 2FA (two factor authentication) for client transfers combined with limiting the use of hot wallets, which better protect client assets which, by default, are be stored in cold (offline) wallets. The AML, KYC/B and CTF standards that Kryptos-X has deployed are to industry and regulatory leading standards. Kryptos-X's custody, clearing and settlement partner has extensive experience and an excellent track record in managing crypto and digital assets.

Kryptos-X Founder and CEO, Tony Mackay commented, "Despite the volatility of the cryptocurrency market last year, the digital currency exchange business remains

very prospective. We believe that digital asset markets need to, and will, become more regulated. Our experience of building, operating and trading on regulated markets in Australasia, Europe and North America should then become a competitive advantage."

Tony Mackay is best known for having run the Asian and European businesses for electronic trading pioneer, Instinet when it was owned by private equity firm Silver Lake Partners. Instinet was bought by Japanese bank Nomura for US\$1.2 billion in 2007. Tony then became the founding CEO and Chairman of the Chi-X group which deployed its proprietary technology to launch and build regulated securities exchange markets in Europe, Japan, Singapore, Australia and Canada. The various Chi-X businesses received investments from leading global banks and trading firms such as Virtu/GETCO, Citadel, Optiver, Quantlab, Nomura, Bank of America Merrill Lynch, Credit Suisse, BNP Paribas, JP Morgan, UBS, Citibank, Societe Generale, Goldman Sachs, Morgan Stanley and ABN Amro. The Chi-X businesses were subsequently sold for over US\$500 million to US exchange groups BATS (now part of CBOE), NASDAQ and private equity firm JC Flowers.

Cautionary Statement – Cryptocurrency Related Business Activities

Fatfish notes the following in relation to cryptocurrency-related business activities:

- investment into cryptocurrency is high risk in nature as cryptocurrency is currently highly speculative;
- cryptocurrency prices are currently volatile; and
- cryptocurrency-related businesses have a number of other risks factors, including but not limited to the following: the development of new regulatory framework involving cryptocurrencies;
 - i. cryptocurrencies, cryptocurrency exchanges and its related topics of Initial Coin Offerings (ICO) have raised regulatory issues across multiple jurisdictions. A number of regulators have issued guidance on the relevance of their existing securities and financial services laws with regards to ICOs that have underlying cryptographic tokens that are securities or investment in nature; and
 - ii. in many countries cryptocurrencies are subject to anti-money laundering and counter-terrorism funding legislations.

For its cryptocurrency-related business activities, Fatfish will always endeavour to the best of its ability to ensure that Fatfish and its subsidiaries comply with relevant local in-country regulatory requirement.

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About Fatfish Blockchain Limited

Fatfish Blockchain Limited (ASX: FFG, US:FFTF) is a publicly traded international venture investment and development firm. FFG partners with entrepreneurs and experienced executives to build and grow tech businesses via a co-entrepreneurship model. FFG focusses on emerging global technology trends, specifically FFG has been investing strategically across various sectors of **blockchain, fintech and consumer internet** technologies.

Fatfish is currently invested in the highly viable sectors of Blockchain and Consumer Internet:

- **Cryptocurrency Exchanges** – Kryptos-X cryptocurrency exchange.
- **Cryptocurrency Mining** – Minerium Technology Limited, a large-scale cryptocurrency mining business in emerging market locations.
- **Blockchain Fund Management** – Epsilon Capital, a blockchain and cryptocurrency 'fund-of funds' business dedicated to blockchain investment.
- **Consumer Internet** – A portfolio of companies that focus on digital entertainment, fintech, e-commerce and enterprise software. The portfolio includes ICandy Interactive Ltd (ASX :ICI), Cloudearon Berhad (MYX: CLOUD), Beam Space, iFashion Group, Fatberry, Lunch Actually, iSecrets, Stilla, Wheelys and many others.

FFG operates from its international venture hubs located in Singapore, Kuala Lumpur and Stockholm.

For More details, please contact:

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