

ASX ANNOUNCEMENT

16 April 2019

DigitalX Secures Underwritten SPP and Strategic Investment and Advisory Engagement in Gold Stablecoin

- **Share Purchase Plan to raise A\$2 million**
- **DigitalX secures a blockchain services agreement with gold backed stablecoin management company BAM**
- **The Company acquires ~17.5% equity interest in BAM via an investment of cash and DigitalX shares at 8.5c**
- **DigitalX continues to review other complementary projects to accelerate in the blockchain market**

DigitalX Limited (ASX:DCC) (**DigitalX** or the **Company**) is pleased to announce a Share Purchase Plan (**SPP**) to raise A\$2 million (before costs). The Company is also pleased to announce its engagement with and investment into Bullion Asset Management Services Pte Ltd (**BAM**) to acquire approximately 17.5% interest in BAM.

The SPP will be underwritten to A\$2 million by Patersons Securities Limited (**Patersons**) which is acting as Lead Manager and Underwriter to the offer. Eligible Shareholders will have the opportunity to purchase up to A\$15,000 worth of fully paid ordinary shares in the Company (**Shares**) at a 20% discount to the 5 day VWAP of the Company's Shares trading on ASX over the last 5 trading days on which Shares were traded immediately before the issue date of the Shares (**Price**), irrespective of the size of their shareholding, without incurring brokerage or transaction costs.

Additionally, the Company has appointed Patersons to facilitate an offer of New Shares to be issued through a potential Top-Up Placement (**Top-Up Placement**) which, if conducted, will seek to raise up to a further A\$2 million (before costs) from professional and sophisticated investors, following the close of the SPP. The Top-Up Placement, if it is conducted, will utilise the Company's available capacity under Listing Rule 7.1 and 7.1A and will be undertaken at the Price. The Company will update shareholders in due course on whether the Top-up Placement will proceed.

The proceeds from the SPP and Top-Up Placement, if conducted, will be applied towards the evaluation of potential investment and acceleration opportunities and for general working capital.

About BAM

BAM, a company incorporated and operating in Singapore, is creating a gold backed cryptocurrency stablecoin called XGold. DigitalX will acquire its interest through an investment into BAM, the acquisition of securities from an existing shareholder (unrelated to DigitalX) and the provision of advisory services to BAM. In relation to DigitalX's advisory services, DigitalX will be providing both technical and corporate advice to BAM in relation to its blockchain utilisation as well as media and public relations advice through its Coincast Media business.

About XGold

The Xgold cryptocurrency will compete with the leading stablecoin products such as Tether, a US Dollar backed stablecoin with units outstanding of over US\$2 billion. A stablecoin is a term used to describe a cryptocurrency that is meant to hold a stable value relative to another asset or commodity by backing or pegging. In the case of XGold, each token is backed with 1 gram of gold bullion.

XGold will allow investors to purchase, transfer and store digital gold. BAM holds a supply contract with Jaggards – one of Australia’s leading precious metal and gold bullion specialists which is a distributor of gold bullion from ‘Produits Artistiques Métaux Précieux’ (**PAMP**), one of the world's leading gold bullion brands.

All XGold new token issues and redemptions are recorded on the blockchain. In addition to the blockchain, all gold bullion tokens are vaulted and insured and investors who purchase Xgold tokens will be able to redeem those tokens for physical gold bullion.

DigitalX’s role

DigitalX will be providing blockchain technical services, blockchain auditing, media & PR, corporate advisory and exchange listing introductions to assist in the success of XGold. In consideration for services DigitalX has secured services agreements for a total of A\$380,000 and 200,000 shares in BAM.

The services agreement will continue for 6 months after the launch of XGold, unless extended by both parties in writing or otherwise terminated pursuant to its terms.

Investment into BAM

DigitalX has entered into a Terms Sheet with BAM to subscribe for 450,000 BAM shares in consideration for AU\$450,000. The Company has also acquired 800,000 BAM shares from a founder and early investor for 9,411,764 DigitalX shares with an issue price of 8.5c, for a value of A\$800,000. DigitalX intends to issue the 9,411,764 DigitalX shares pursuant to the Company’s available capacity under Listing Rule 7.1. The founder and early investor has agreed to voluntarily escrow 60% of the DigitalX shares for a period of 12 months.

DigitalX CEO Leigh Travers commented “We are delighted to work with the team at BAM and utilise our extensive technical expertise to accelerate the launch of the gold backed stablecoin XGold. Utilising blockchain technology BAM will be delivering a product to market that is lower cost and more secure than the traditional model of gold ownership and we look forward to the success of XGold”.

DigitalX remains confident in being one of the leaders in the services market for the blockchain industry and looks forward to keeping the market updated on future strategic deals in the blockchain and greater fintech industry as we continue to review other complementary projects.

Further Details on the SPP

Each eligible DigitalX shareholder as at 5.00pm WST on 12 April 2019 will have an opportunity to subscribe for up to A\$15,000 worth of new Shares in the Company, subject to scale back and without incurring any brokerage or transaction costs. Eligible shareholders are shareholders of fully paid ordinary

shares in the Company whose address on the share register of DigitalX is either in Australia or New Zealand (**Eligible Shareholders**).

An SPP Offer Booklet with further details on the SPP will be despatched to Eligible Shareholders on 18 April 2019. The issue price of the new Shares under the SPP will be at a 20% discount to the 5 day VWAP of the Company's Shares trading on ASX over the last 5 trading days on which Shares were traded immediately before the issue date of the Shares.

New shares issued under the SPP will rank equally with existing DigitalX shares. The proposed timetable for the SPP is:

Record Date for Share Purchase Plan	12 April 2019
Announce Share Purchase Plan	15 April 2019
Dispatch Share Purchase Plan booklet to shareholders and release Offer Letter on the ASX	18 April 2019
Opening date for Share Purchase Plan	18 April 2019
Closing date for Share Purchase Plan	3 May 2019
Lodge Appendix 3B, Issue of new Shares under the Share Purchase Plan, Cleansing Notice	6 May 2019
Quotation on ASX of new Shares under the Share Purchase Plan	8 May 2019
Issue of Shares under Shortfall and Top-Up (if any)	15 May 2019

These dates are indicative only. The Company may vary the dates and times of the Offer without notice.

The SPP will be underwritten to A\$2 million by Patersons. Paterson's will receive a standard commercial fee for issue management and underwriting of the total gross amount raised under the SPP (and the Top-Up Placement, if applicable) as well as options on the basis of one (1) option to acquire a Share for every twenty (20) new Shares issued under the SPP (and the Top-Up, if applicable) (**Broker Options**), as remuneration for acting as lead manager and underwriter to the SPP. DigitalX intends to issue the Broker Options pursuant to the Company's available capacity under Listing Rule 7.1. The Broker Options will be exercisable at 125% of the Price, within three (3) years of their issue.

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About DigitalX

DigitalX is a blockchain and cryptoasset finance company with offices in Perth, Sydney and New York. The company offers advisory services for new token offerings, asset management focused on technology, including blockchain and cryptoassets, blockchain development and media services.

For further information, please contact

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