

ASX Release

6 July 2015

ASX Code: AB1

ABN: 29 122 921 813

Quoted Ordinary Shares: 43.3 Mil

Ordinary Shares Escrowed
until 23 Dec 15: 60.9 Mil

Ordinary Shares Escrowed
until 23 Jan 17: 14 Mil

Options: 2.36 Mil exercisable
at \$0.20, expiring 23 Jan 18

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ANIMOCA BRANDS CORPORATION LTD
ABN 29 122 921 813

Animoca Brands secures A\$3.1m from Ourpalm, China's leading listed mobile game developer

Highlights

- Ourpalm, China's leading listed social web and mobile game developer has agreed to invest A\$3.1million into Animoca Brands (ASX: AB1), representing an 11.11% stake in AB1, at a premium price of \$0.21 per share
- Strong endorsement from market leader in China which solidifies existing relationship with Ourpalm, following the distribution partnership announced in May 2015 for the Doraemon Gadget Rush game
- Co-CEO of Ourpalm and high profile corporate executive Mr. Steven Hu to be appointed to the Board of AB1 as Non-Executive Director
- Option for further investment of up to US\$5 million (equivalent) when the share price reaches 150% of the current price of their investment
- Funds accelerate and fuel expansion into the rapidly growing mobile gaming industry, estimated to be worth US\$35 billion globally in 2015

Hong Kong – 6 July 2015 – Animoca Brands (ASX: AB1 or the "Company") today announces that Ourpalm Co Ltd has agreed to make a strategic cash investment in the Company.

Ourpalm will invest A\$3.1 million in cash in consideration for 14,785,714 fully paid ordinary shares representing 11.11% of the Company's expanded share capital. The purchase price will be \$0.21 per share ("Subscription Price"), representing a premium of 23.5% over the closing price on 24 June 2015. The Company will issue the shares in accordance with a resolution passed at the Company's AGM held 30 June 2015 and the shares will be voluntarily escrowed for a period of twelve months from the date of issue.

The partnership with Ourpalm is expected to greatly enhance Animoca Brands' ability to increase revenue generation and accelerate penetration into the Chinese market. Ourpalm will work closely with Animoca Brands to grow its market share in China, and widen its game distribution in the region as it leverages Ourpalm's distribution channels and knowhow.

The Company has also granted an option to Ourpalm for a further investment of up to US\$5 million at a price equal to 150% of the Subscription Price (\$0.21) when the volume weighted average price of the Company's shares over a five day period reaches 150% of the Subscription Price. Ourpalm will have a period of 30 days to exercise the option after the date upon which that price has been reached. Any shares exercised under the option will be voluntarily escrowed for a period of twelve months from the date of issue of the exercised shares.

The investment by Ourpalm is subject to certain closing conditions, including the execution of definitive agreements and a framework agreement for the co-development and distribution of apps. In addition, certain management and shareholders have agreed to sign restriction agreements and management commitments, and the share price must be above A\$0.162 on the date of closing.

Ourpalm is China's leading listed mobile and social web game developer and publisher, employing over 2,000 dedicated staff and working with a global network of companies to publish hundreds of games across China, Southeast Asia, Europe and the US.

Ourpalm pursues strategic investment mergers and acquisitions with game developers and industry leaders. Recent M&As include Dovo Entertainment, PlayCrab, ShangGame, TIANMA, BLINGSTORM and also strategic investments in Unity Software and H&R Century Pictures.

As part of the investment, Mr. Steven Hu, co-CEO of Ourpalm and a high profile corporate executive, will be appointed as Non-Executive Director of Animoca Brands upon completion of the investment.

Mr Hu will join a solid non-executive board, which already includes Mr. David Brickler, Mr. Martin Green, Mr Richard Kuo and Mr. Yat Siu.

Steven Hu is the co-CEO of Ourpalm. Prior to joining Ourpalm in 2013, Mr. Hu was the partner of venture capital firm Qiming Venture Partners. Since joining Qiming in 2009, he led investments into numbers of TMT companies, including Xiaomi, Domob, Zhihu.com, D.cn, and Jiayuan.com (NASDAQ: DATE). Mr. Hu has more than 10 years of experience in the internet and wireless industry, and is one of the earliest veterans in the space. Before turning to venture capital, Mr.Hu played an important role in three NASDAQ listed companies: KongZhong (NASDAQ: Kong), Sohu (NASDAQ: SOHU) and Sina (NASDAQ: SINA). He was one of the founding members of KongZhong and served as vice president from 2002 to 2007. Mr. Hu received his BS in information science from Peking University.

On 28 May 2015 Animoca Brands announced it had partnered with Ourpalm to publish the Android version of Doraemon Gadget Rush in China. The success of this partnership has led to further validation of Animoca Brands' strategy, with Ourpalm becoming a strategic investor in the business.

Mr. Robby Yung, CEO, Animoca Brands commented:

"We are very encouraged by the investment and partnership with Ourpalm.

"Ourpalm's recognition in the mobile gaming market in China makes them the ideal partner for Animoca Brands as we look to grow our distribution and revenues further throughout the China region. The capital and expertise to be provided by Ourpalm will boost the Company's expansion plans and provide further validation of our business model and strategy."

Mr. Steven Hu, co-CEO of Ourpalm Co. Ltd commented:

"I am delighted to be joining the board of Animoca Brands.

"The Company has demonstrated a strong record of licensing and monetizing well-known brand names and developing highly successful mobile games. The Animoca Brands game portfolio strategy has proven to be a successful formula, and creates a platform for further opportunity and growth within the mobile gaming market.

"I look forward to the Company's future growth and being a part of this exciting phase of expansion in the mobile gaming sector."

About Animoca Brands:

Animoca Brands Corporation Ltd. (ASX: AB1) publishes globally a broad portfolio of mobile games, including several games based on popular intellectual properties such as Garfield, Ultraman, and Doraemon. The company's games have been downloaded over 130 million times. Animoca Brands is based in Hong Kong. For more information visit www.animocabrands.com.

For ongoing updates, follow Animoca Brands on [Facebook](#), [Twitter](#) or [Google+](#)

About Ourpalm

Ourpalm was founded in Beijing in 2004 as a government licensed telecommunications and service provider. Strong background in web and mobile content have secured Ourpalm a place as one of China's leading web and mobile game developers and publishers. In May 2012, Ourpalm made its first public offering on the Shenzhen Stock exchange (Ticker: 300315-CN). The Company primarily focuses on mobile and web game development and publishing and comprises of more than 2,000 talented individuals and has experience in game development and publishing for over 200 titles.