



Fatfish Internet Group Ltd  
(ACN 004 080 460)  
Level 4, 91 William Street  
Melbourne VIC 3000  
Australia  
[www.fatfish.co](http://www.fatfish.co)

30 October 2018

## Fatfish Update for the Quarter Ended 30 September 2018

### Highlights

- **Fatfish executed a definitive Share Subscription Agreement with blockchain fund of funds, Epsilon Capital Management Ltd, whereby Fatfish would invest US\$500,000 in return for additional 10% shareholding, giving Fatfish a total of 20% shareholding in Epsilon Capital**
- **Fatfish entered into a binding agreement to acquire 100% of Snaefell Ventures AB, a Sweden based tech venture investment firm**
- **Minerium Technology Limited (formerly APAC Mining Corp), a 51% owned investee company of Fatfish, intends to list on the the London Stock Exchange**
- **Fatfish announced that it had entered into a definitive Share Exchange Agreement with eSports.com, whereby Fatfish will exchange AU\$4.56 million worth of its shareholding in iCandy, in the form of 45,656,105 ordinary iCandy shares, for 3% of the current issued share capital in eSports.com**

International venture investment and development firm, Fatfish Internet Group Limited ("**Fatfish**" or the "**Company**") (ASX: FFG, OTCQB: FTTTF), is pleased to provide an update on its quarterly activities for the period ended 30 September 2018.

### Epsilon Capital Definitive Share Subscription Agreement

Subsequent to the Company's announcement on 3 May 2018 regarding the incubation and intended investment in Epsilon Capital Management Ltd ("**Epsilon Capital**"), on 10 July 2018, Fatfish announced the execution of a definitive share subscription agreement ("**Share Subscription Agreement**") with Epsilon Capital through its wholly owned subsidiary, Fatfish Disruptive Ventures Ltd ("**FDV**").

FDV entered into the Share Subscription Agreement based on the following material terms:

- (i) FDV will subscribe for 10% of Epsilon Capital's ordinary share capital for a consideration of US\$500,000 ("**Subscription Price**"), which will be paid to Epsilon Capital in two equal tranches;
- (ii) In consideration of FDV's prior effort in providing support and services to incubate the founding of Epsilon Capital, a total of US\$50,000 shall be

subtracted from the second tranche of the Subscription Price and FDV will receive an additional 10% holding in Epsilon Capital; and

- (iii) FDV will hold a total of 20% of Epsilon Capital after the completion of the Share Subscription Agreement.

Under the Share Subscription Agreement, Fatfish will appoint a board member to Epsilon Capital's Board of Directors to provide blockchain and cryptocurrency expertise, which will complement the global finance experience of Epsilon Capital's co-founders in investment banking, corporate finance and capital markets.

### **Fatfish's Swedish Subsidiary to Acquire Swedish Tech Firm**

On 20 July 2018, Fatfish announced that its wholly-owned Swedish subsidiary, Fatfish Global Ventures AB ("**FGV**") entered into a binding sale and purchase agreement ("**Agreement**") to acquire 100% of Snaefell Ventures AB ("**Snaefell**"), a Sweden based tech venture investment firm. Founded by Patrik Mellin, an investor with over 10 years of experience, Snaefell specialises in investing in innovative, unlisted start-up technology companies, working in parallel with directors and management to accelerate growth before exiting the investments.

Snaefell has holdings in four separate entities: Wheelys Inc, a mobile Café franchise; Moby, a manufacturer of automated, unmanned, mobile retail stores; Divvit, an e-commerce analysis tool; and Stilla, a motion sensitive security device.

Under the Agreement, for consideration, the existing owners of Snaefell will be issued shares in FGV to the value of SEK38 million or approximately AU\$5.2 million, resulting in Snaefell's existing shareholders holding approximately 19% of FGV. Upon completion of the transaction, Snaefell's board members Fredrik Lemmel and Johanna Wollert Mellin will join the Board of Directors of FGV.



Image 1 (Top) – The 'Wheelys Mini' Café'

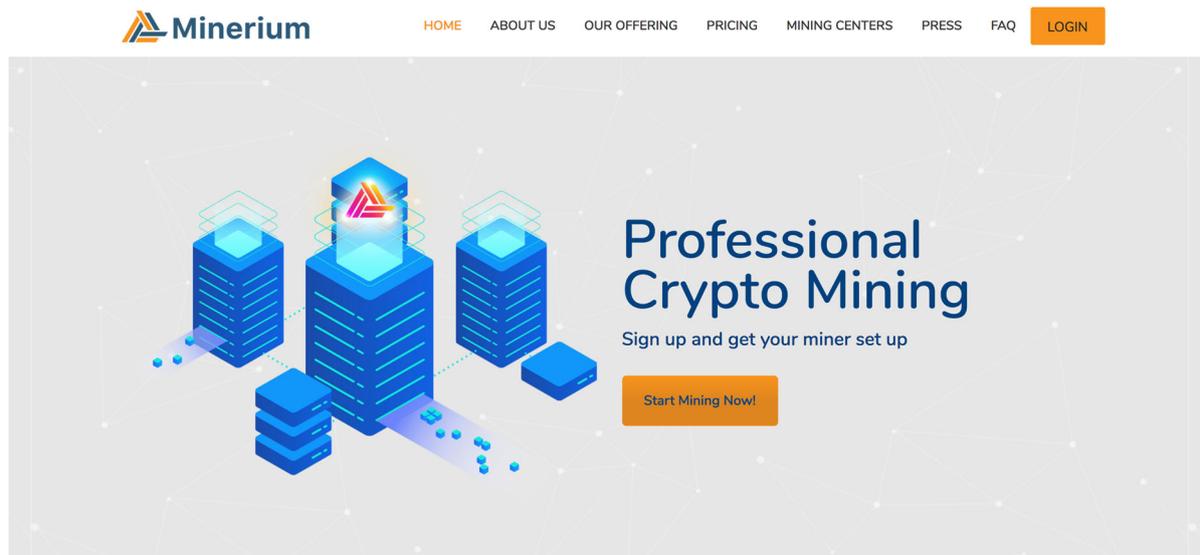
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### APAC Mining Rebrands to Minerium

On 24 September 2018, Fatfish announced that its 51% owned APAC Mining Corp had been rebranded to Minerium Technology Limited ("**Minerium**"). Fatfish also announced that Minerium had appointed Joanna Alicja as CEO and Jeremy Sparrow as Chairman of its Board of Directors.

Back in January 2018, Fatfish had invested US\$1 million of seed capital into Minerium, a Singapore headquartered start-up established to invest in and manage large-scale high-end computing facilities to conduct cryptocurrency mining.

The rebranding was undertaken to better position Minerium as it now seeks to approach the retail markets by allowing individuals to own their own bitcoin mining rig, which will be hosted and managed by Minerium.



### Minerium's Intention to List on the London Stock Exchange

On 24 July 2018, Fatfish announced that Minerium intends to seek an admission of its ordinary shares to the mainboard of the London Stock Exchange via the Standard Listing route ("**LSE Admission**").

During the quarter, the management of Fatfish and Minerium entered into advanced discussions with prospective investment banks, accountants and lawyers in relation to the proposed LSE Admission.

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### **Fatfish Signs Share Exchange Agreement with eSports.com**

Subsequent to Fatfish's announcement dated 6 June 2018, on 31 July 2018, Fatfish announced that it had entered into a definitive share exchange agreement ("**Share Exchange Agreement**") with eSports.com Group AG ("**eSports.com**"), whereby Fatfish shall exchange AU\$4.56 million worth of its shareholding in iCandy Interactive Limited ("**iCandy**") (ASX:ICI), in the form of 45,656,105 ordinary iCandy shares valued at AU\$0.10 per share, for 3% of the current issued share capital in eSports.com (the "**Share Exchange**").

Simultaneously, eSports.com and iCandy have entered into an agreement ("**Investment Agreement**") under which eSports.com shall subscribe for 16,500,000 new iCandy shares ("**Subscription Shares**") for a total consideration of AU\$1,320,000 at a premium price of AU\$0.08 per share (the "**Share Subscription**"). The following are material terms of the Investment Agreement:

- (i) the total consideration of AU\$1,320,000 shall be payable by eSports.com in 5 equal tranches with the first tranche payable by 3 August 2018, and the remaining 4 tranches to be paid over 4 equal payments commencing from 3 September 2018;
- (ii) the Subscription Shares are to be issued to eSports.com in 5 equal tranches within 5 business days of receipt of each tranche payment; and
- (iii) upon issuance of the first tranche of the Subscription Shares, eSports.com has the right to elect a director to iCandy's Board of Directors.

The Share Exchange is conditional upon the Share Subscription and will take place only after the completion of the Share Subscription in full.

Upon the completion of the Share Subscription and the Share Exchange, eSports.com will own approximately 19.5% of iCandy.



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## **Corporate Updates**

### Business Update Conference Call

On 20 September 2018, Fatfish's CEO Kin Wai Lau and Director of Crypto Financial Markets Phillip Lord hosted a business update teleconference, whereby shareholders and teleconference attendees were able to ask questions directly to the Company.

## **Cautionary Statement - Cryptocurrency Related Business Activities**

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

- investment into cryptocurrencies is high risk in nature as cryptocurrencies are currently highly speculative.
- cryptocurrency-related businesses have several other risks factors, including but not limited to the following:
  - (i) the development of new regulatory framework involving cryptocurrencies;
  - (ii) 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
  - (iii) 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 investee companies comply with the relevant local regulatory requirements.

– End –



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### **About Fatfish Internet Group Ltd**

Fatfish Internet Group Ltd (**ASX: FFG, OTCQB: FFTF**) is a publicly traded international venture investment and development firm. Fatfish partners with entrepreneurs and experienced executives to build and grow tech businesses via a co-entrepreneurship model. Fatfish has been investing strategically across various sectors of **cryptocurrency, fintech and consumer internet** technologies.

Fatfish operates from its international venture hubs located in Singapore, Kuala Lumpur and Stockholm. Fatfish's shares are traded on the Australian Securities Exchange in Australia and the OTCQB in the US.

Fatfish is currently invested in the three highly viable sectors of Cryptocurrency and Blockchain:

- (i) **Cryptocurrency Exchanges** – Kryptos-X cryptocurrency exchange;
- (ii) **Cryptocurrency Mining** – Minerium Technology Ltd, a large-scale cryptocurrency mining business in emerging market locations; and
- (iii) **Blockchain Fund Management** – Epsilon Capital, a blockchain and cryptocurrency 'fund of funds' and Altarian Holdings Limited, among the first UK FCA approved fund management business dedicated to crypto investment.

### **About Fatfish Global Ventures AB**

FGV is a wholly-owned Swedish subsidiary of Fatfish. The company is headquartered in Stockholm and is actively investing and building internet ventures across Europe and Asia. For more information on FGV, please visit [www.fatfishglobal.com](http://www.fatfishglobal.com)

### **About Minerium Technology Ltd**

Minerium's goal is to become a leading crypto mining technology firm. The company is backed by Fatfish, which has invested US\$1 million of seed capital.

Minerium currently has operations in Malaysia, and is in the process of establishing a cryptomining facility in Mongolia. The cryptomining facility in Mongolia will have an estimated energy capacity of 12MW, with an option to expand a further 16MW.



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### **About iCandy Interactive Ltd**

iCandy Interactive Limited (**ASX: ICI**) is an Australian publicly traded company that has its core business in the development and publishing of mobile games and digital entertainment for a global audience. iCandy runs a portfolio of mobile games that are being played by over 350 million gamers worldwide and has won multiple awards in various coveted international events. For more information visit [www.icandy.io](http://www.icandy.io)

### **About eSports.com Group AG**

Using Blockchain technology, eSports.com provides a unified, secure and transparent digital environment for all things eSports. eSports.com aims to be the biggest eSports portal in the world. Its platform offer coaching by professionals, charity tournaments supported by celebrities, comprehensive statistic data, live coverage and it wants to take sports journalism, in terms of eSports, on a new level.

### **About Snaefell Ventures AB**

Snaefell is a private investment company that specialises in investing in high growth technology start-ups. It currently has four companies in its portfolio which includes Wheelys Inc, Moby, Divvit and Stilla. Snaefell intends to actively participate in developing these holdings and is currently seeking further investments in the technology space.

For further question on this release, please contact Investor Relations Manager

Jane Morgan

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## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

FATFISH INTERNET GROUP LIMITED

**ABN**

88 004 080 460

**Quarter ended ("current quarter")**

30 SEPTEMBER 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date ( 9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	721	2,490
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(159)	(1,055)
(c) advertising and marketing	(26)	(75)
(d) leased assets	-	-
(e) staff costs	(222)	(662)
(f) administration and corporate costs	(554)	(2,059)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Sale of cryptocurrency)	111	140
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(129)</b>	<b>(1,218)</b>

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

	Current quarter \$A'000	Year to date ( 9 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(14)	(1,767)
(b) businesses	-	(311)
(c) investments	(338)	(1,326)
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	15
(b) businesses	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	(120)	(450)
2.4 Dividends received	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(472)</b>	<b>(3,839)</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares (Note 1)	-	1,993
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	172	234
3.4 Transaction costs related to issues of shares, convertible notes or options	(14)	(107)
3.5 Proceeds from borrowings	-	-
3.6 Repayments of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (Shares issued 9 October 2017)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>158</b>	<b>2,120</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>(443)</b>	<b>(2,937)</b>
4.1 Cash and cash equivalents at beginning of quarter/year to date	775	3,323
4.2 Net cash from / (used in) operating activities	(129)	(1,218)
4.3 Net cash from / (used in) investing activities	(472)	(3,839)
4.4 Net cash from / (used in) financing activities	158	2,120
4.5 Effect of movement in exchange rates on cash held	57	3
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>389</b>	<b>389</b>

**Appendix 4C**

**Quarterly report for entities subject to Listing Rule 4.7B**

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	389	775
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter</b>	<b>389</b>	<b>775</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
9
-

Directors Fees & Directors Salaries

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000
-
120

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Net payment to related entity loans

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**Appendix 4C****Quarterly report for entities subject to Listing Rule 4.7B****8. Financing facilities available**

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and developments	-
9.2 Product manufacturing and operating costs	75
9.3 Advertising and marketing	25
9.4 Leased assets	-
9.5 Staff costs	200
9.6 Administration and corporation costs	100
9.7 Other	-
<b>9.8 Total estimated cash outflows</b>	<b>400</b>

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

**Compliance statement**

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.



Sign here \_\_\_\_\_  
Company Secretary

Date: 30 October 2018

Print Name Jiahui Lan