



iCandy Interactive Limited
(ACN 604 871712)
Level 4, 91 William Street
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Australia

9 January 2019

ASX and Media Announcement

iCandy's First Blockchain Game CryptantCrab Goes Live

Highlights

- **iCandy's first blockchain based game, CryptantCrab, is now live**
- **The game is launched with two initial gameplay mechanics, i.e. Mutation and Xenograph**
- **Player-to-player interaction has been introduced via an online marketplace**
- **Through additional development, iCandy aims to introduce battle mode of the virtual crabs as the next major milestone of CryptantCrab in first half of 2019**

iCandy Interactive Limited (ASX:ICL) ("**iCandy**", the "**Company**") is pleased to announce its first-ever blockchain game, CryptantCrab, has been launched. As previously announced on 10 October 2018 and 12 November 2018, CryptantCrab is the first blockchain technology based game developed by iCandy based on the Ethereum blockchain framework and is accessible via the CryptantCrab's website (<https://www.cryptantcrab.io/>).

Initial Gameplay Mechanics Launched

CryptantCrab takes inspiration from the Asian past time of raising fighting fish, hence the game is based on a similar concept of raising digital crustaceans that come alive on the blockchain. In this early version of CryptantCrab, players can start customizing and mutating their virtual crabs through key gameplay mechanics called **Mutation** and **Xenograph**.

Mutation provides the function to transform a part of the virtual crab into a different and possibly stronger one. By performing continuous mutations on a single part, players will also gradually increase the chance of obtaining coveted legendary versions of the said part.

As for **Xenograff**, this feature transplants specific parts from other crabs and is more suitable for those who want predictable results in completing crab sets or creating a truly customized ferocious fighter-crab.

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Player-to-Player Interaction

CryptantCrab further expands its player interactivity with a newly launched player-to-player online marketplace that allows trading of the virtual crabs among the players. iCandy management expects this to be a popular feature with CryptantCrab players as this feature is not unlike the trading of game cards or digital game cards that many gamers are used to.

Next Milestone

The next major release for CryptantCrab will be a feature that allows virtual crabs to get into battle with one another. This feature will encourage further customization and trading among players, indirectly leading to enhancement of the game ecosystem of CryptantCrab. The battle mode feature of CryptantCrab is anticipated to be released in first half of 2019.

Strong Start for CryptantCrab

As an award-winning mobile game developer, iCandy began the creation of CryptantCrab as a spin-off from its popular mobile game, Crab War. Cryptant Crab is an important milestone for iCandy, as blockchain technology is being increasingly deemed as an important technology for game developers worldwide.

CryptantCrab has sold **over 1,200 virtual crabs** online at an average price of USD \$50 per virtual crab. These initial results have exceeded the expectations of iCandy management and reinforces the fact that gamers in iCandy's network are early adopters of blockchain based games and technology.

The game, which is compliant to the ERC721 standard, remains a web-based game, which ensures that it is not impacted upon by cryptocurrency regulations in most jurisdictions.

The CryptantCrab offer was undertaken in Singapore and Malaysia for its pilot phase. Initially, the Player-to-Player Interaction will also be limited to Singapore and Malaysia. The Company intends on expanding the sale and trading of crabs to other geographical markets as it sees fit. The Company has obtained legal advice on the CryptantCrab game and is satisfied that the game does not contravene any cryptocurrency regulation in Singapore and Malaysia. Singapore and Malaysia do not have specific regulation that governs game content other than their existing Codes of Practice that governs all Internet content providers. CryptantCrab will be compliant to the Internet Code of Practice of both countries. The Company will obtain further legal advice as in when it intends to expand the game offering and trading outside of Singapore and Malaysia. The Company will consider the relevant cryptocurrency laws and policies in any new country prior to releasing the game in that new country.

Cautionary Statement - Cryptocurrency Related Business Activities

The Company notes the following in relation to its cryptocurrency-related business

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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.
 - III. In many countries cryptocurrencies are subject to anti-money laundering and counter-terrorism funding legislations. For its cryptocurrency-related business activities the Company will always endeavour to the best of its ability to ensure that the Company comply with relevant local in-country regulatory requirement.

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About iCandy Interactive

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 Interactive 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

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