



ASX Release

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Animoca Brands and WAX collaborate to accelerate virtual item and crypto collectible trading on blockchain

Highlights:

- WAX Blockchain and Animoca Brands partner to progress virtual item and crypto collectible trading on blockchain through Non-Fungible Tokens (NFTs)
- WAX is the world's first and largest purpose-built global blockchain e-commerce platform designed for trading virtual items
- WAX is the equivalent of eBay or Amazon for digital items, facilitating over 5m trades per day
- Animoca Brands will introduce user-generated items for its game *The Sandbox* on to the WAX platform
- *The Sandbox* is a successful mobile game franchise (40m installs with 1.2m active monthly users) - the game is to become the world's first decentralised community driven game platform, providing users with true ownership of their creations as NFTs
- Non-blockchain user-generated content games such as *MineCraft* (sold to Microsoft for \$2.5Bn) and *Roblox* (valued at over \$2.4Bn) have proven highly popular
- *The Sandbox* platform's Voxel Editor, launched in December 2018, allows users to create 3D assets while also providing a Marketplace for trading and selling these assets
- Animoca Brands and WAX are conducting an exchange of value in the amount of US\$250,000, whereby Animoca Brands will exchange common shares of its stock for the equivalent value in WAX tokens
- The partnership adds significant value and fast-tracks user adoption by allowing millions of *The Sandbox* users and other gamers access to a liquid market for their creations, and gain access to pre-sale virtual items on WAX ExpressTrade, the easiest and free way to trade virtual items

Animoca Brands Corporation Limited (ASX: **AB1**, the "**Company**"), is pleased to announce that it has executed a term sheet for collaboration and an exchange of value (the "Agreement") with Exposition Park Holdings SEZC, the company overseeing the Worldwide Asset eXchange, or WAX ("WAX"), the global e-commerce platform for the trade and exchange of virtual items.

WAX was created by the founders of OPSkins™, the largest virtual item marketplace, which has facilitated over 150 million purchases of digital collectibles. WAX provides a full suite of blockchain-based tools that allows anyone to trade digital items instantly and securely, to anyone, anywhere. Since its launch in July 2018, WAX has become the biggest blockchain in the world by transaction volume, with more than 5 million peer-to-peer trades of digital collectibles every day.

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Collaboration

The Company is collaborating with WAX to drive mass-market adoption of blockchain-based collectible virtual items, to use WAX's millions of daily transactions to expand the reach of subsidiary Pixowl's *The Sandbox* into the gamer community, and to further increase the utility of both companies' respective platforms.

The Sandbox is a decentralized, community-driven platform where creators will be able to monetise voxel assets and gaming experiences on the blockchain. It is developed by Pixowl, the game studio recently acquired by Animoca Brands. *The Sandbox* is already a successful mobile franchise (with 40 million installs, 70 million worlds created, and 1.2 million monthly active players) and the blockchain version for mobile, PC and Mac is launching later in 2019.

Animoca Brands will allow player-made non-fungible tokens (NFTs) generated in *The Sandbox* blockchain game creation platform to be bought, traded and sold on the WAX Marketplace, providing additional visibility and liquidity to their creators (NFTs will still be sold on *The Sandbox's* own Marketplace).

The Company expects that the option to sell and trade digital assets on WAX will boost *The Sandbox* users' loyalty and incentivise them to generate more content, enriching the entire community and ecosystem. Animoca Brands will collect a share of the revenue generated by every transaction on WAX that involves assets for *The Sandbox*.

Mutual exchange of value

Under the Agreement, WAX and Animoca Brands are initiating a mutual exchange of value totaling US\$250,000, whereby Animoca Brands will exchange common shares of its stock for the equivalent value in WAX tokens. The swapped shares and tokens will be subject to a 24-month escrow period.

The number of Animoca Brands shares to be issued will be calculated as US\$250,000 converted into Australian dollars and divided by a deemed issue price based on the 21-day volume weighted average price of the Company's shares (listed on the ASX) as of 11 January 2018. The Company intends to issue the shares utilising its existing placement capacity under ASX Listing Rule 7.1.

Management commentary

William Quigley, the CEO of WAX, said: "We designed the WAX platform for global digital commerce. WAX processes more e-commerce transactions on a blockchain than any other company. By combining strengths with Animoca Brands, we can ensure that all players have a positive experience when they buy, sell and trade *The Sandbox* in-game virtual items to anyone in the world."

Arthur Madrid, the CEO of Pixowl, commented: "We are entering a user generated creative renaissance in blockchain gaming, in which players will increasingly make and control their content. At Pixowl and Animoca Brands, we are focused on making *The Sandbox* a truly

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player-centric gaming ecosystem that lets you create, own and trade virtual goods in the form of non-fungible tokens such as avatars, buildings, or weapons. Thanks to our partnership with WAX, these non-fungible tokens created by The Sandbox community can be made available for trade on one of the world's most significant digital assets marketplaces.”

Yat Siu, the co-founder and chairman of Animoca Brands, said: “The relationship with WAX that we announced today expands the Animoca Brands network and boosts opportunities for synergy, enabling improved monetisation of our and our partners’ NFTs and other digital assets on a well-established e-commerce platform that is also the most transacted blockchain globally.”

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About WAX (Worldwide Asset eXchange)

WAX is the world's first blockchain built for global e-commerce. WAX's patent-pending blockchain e-commerce platform is the safest and most convenient way to create, buy, sell, and trade virtual items - to anyone, anywhere in the world. The world of digital ownership today is defined by its restrictions. WAX is building a future to where it will be redefined by its freedom. WAX is creating a full suite of blockchain-based tools that allows anyone to trade digital or even physical items instantly and securely, to anyone, anywhere. Participants of the Worldwide Asset eXchange gain access to a global community of collectors and traders, buyers and sellers, creators and gamers, merchants and game developers. For more information, please visit <https://wax.io> and <http://www.opskins.com>, and follow along on Twitter, Facebook and Telegram.

About Animoca Brands

Animoca Brands (ASX: AB1) leverages gamification, blockchain, and artificial intelligence technologies to develop and publish a broad portfolio of mobile products including games such as The Sandbox, Crazy Kings, and Crazy Defense Heroes as well as products based on popular intellectual properties such as Garfield, Thomas & Friends™, Ever After High and Doraemon. Animoca Brands is the exclusive China distributor of *CryptoKitties*. The Company is based in Hong Kong, Canada, and Finland. For more information visit www.animocabrands.com or get updates by following Animoca Brands on [Facebook](#), [Twitter](#) or [Google +](#).

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Contacts

Animoca Brands: press@animocabrands.com

WAX: Jackie Eicholz - 1.831.401.3175 wax@43pr.com