



1 February 2017

ASX ANNOUNCEMENT

ANIMOCA BRANDS CORPORATION LIMITED

UNDERWRITTEN ACCELERATED NON-RENOUCEABLE ENTITLEMENT OFFER

Animoca Brands Corporation Limited (ASX Code: AB1) (**Company**) today launched a fully underwritten accelerated non-renounceable pro-rata rights issue of 4 fully paid ordinary shares (**Share**) for each 5 Shares held by eligible shareholders (**Entitlement**) to raise approximately \$5,200,000 (**Entitlement Offer**).

The Entitlement Offer comprises:

- an institutional entitlement offer to raise approximately \$3.1 million; and
- a retail entitlement offer to raise approximately \$2.1m.

The Entitlement Offer is being offered at a price of A\$0.03 per Share (**Offer Price**).

The proceeds of the Entitlement Offer will be used to fund technology enhancements, sales and marketing costs and for the Company's working capital requirements.

All new Shares will rank equally with existing Shares on the date of issue.

An Appendix 3B in relation to the Entitlement Offer and a notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) will be lodged with ASX Limited (**ASX**) today.

Additional information on the Entitlement Offer

Underwriting Agreement

The Entitlement Offer is fully underwritten pursuant to an underwriting agreement with Baillieu Holst Ltd. The underwriter's obligations to underwrite any shortfall under the Entitlement Offer are subject to terms and conditions which are customary for these type of agreements.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer, which will commence on 1 February 2017. Eligible institutional shareholders can choose to take up all, part of or none of their Entitlement.

Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through the institutional shortfall bookbuild at the Offer Price on 1 and 2 February 2017 (**Institutional Shortfall Bookbuild**).

Eligible institutional shareholders will be those with registered addresses in Australia, New Zealand, Hong Kong, Switzerland and the British Virgin Islands only.

The Company's shares have been placed in a trading halt whilst the Institutional Entitlement Offer and the Institutional Shortfall Bookbuild are undertaken.

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Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the retail entitlement offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer (**Retail Entitlement Offer**). The Retail Entitlement Offer will open at 10 am on 8 February 2017 and close at 5 pm on 24 February 2017.

Eligible retail shareholders will be those with registered addresses in Australia and New Zealand only.

Eligible retail shareholders can choose to take up all, part or none of their Entitlement.

The Company intends on appointing a nominee approved by ASIC under section 615 of the Corporations Act (**Nominee**) in respect of ineligible retail shareholders (**Ineligible Shareholders**). The Company proposes to issue to the Nominee the right to acquire those Shares that Ineligible Shareholders would otherwise have been entitled to apply for had they been entitled to participate in the Entitlement Offer. Ineligible Shareholders should note that none of the Company, the underwriter of Entitlement Offer or the Nominee is acting as their agent and that there is no guarantee that any net proceeds will be realised from the sale of entitlements under section 615 of the Corporations Act.

Entitlements which are not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer will be taken up by underwriter, Baillieu Holst Ltd, or its clients (**Retail Shortfall**).

Eligible retail shareholders who apply for their Entitlement in full may apply for additional Shares under the Retail Shortfall. If eligible retail shareholders subscribe for more Shares than are available under the Retail Shortfall, the Company will apply a scale-back procedure to ensure a fair allocation of the shortfall.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form which are expected to be dispatched on or around 8 February 2017. Copies of the retail offer booklet will be available on the ASX website.

Key indicative dates*

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| Trading halt commences | 1 February 2017 |
| Announcement of Entitlement Offer | 1 February 2017 |
| Institutional Offer opens | 1 February 2017 |
| Institutional Shortfall Bookbuild | 1 and 2 February 2017 |
| Announcement of results of Institutional Entitlement Offer | 3 February 2017 |
| Trading halt lifted and trading resumes on an ex-entitlement basis | 3 February 2017 |
| Record date to identify shareholders entitled to participate in Retail Entitlement Offer | 7pm on 3 February 2017 |
| Settlement of Institutional Entitlement Offer | 8 February 2017 |
| Retail Entitlement Offer opens | 8 February 2017 |
| Quotation of Shares issued under Institutional Entitlement Offer | 9 February 2017 |
| Retail Entitlement Offer closes | 24 February 2017 |
| Announcement of results of Retail Entitlement Offer | 27 February 2017 |
| Settlement of Retail Entitlement Offer | 27 February 2017 |
| Issue of Shares under Retail Entitlement Offer | 28 February 2017 |
| Quotation and trading commences on a normal settlement basis | 1 March 2017 |

**The above timetable is indicative only and subject to change. The quotation of Shares is subject to ASX approval. Subject to the ASX Listing Rules and Corporations Act and other applicable laws, the Company reserves the right to vary these dates, including the Closing Date, without notice, including extending the period of the Entitlement Offer or accepting late applications, either generally or in particular cases or bringing forward the Closing Date at its discretion. Any extension of the Entitlement Offer will have a consequential effect on the issue date of the Shares.*

Further information

Eligible retail shareholders will be sent further details about the Entitlement Offer via a shareholder letter to be despatched on or around 2 February 2017 and a Retail Offer Booklet to be lodged with ASX on or around 3 February 2017.

Further information in relation to the Entitlement Offer is also set out in the Investor Presentation which the Company will file with ASX today which contains important information including key risks with respect to the Entitlement Offer.

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