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Emerge Gaming appoints Middle Eastern and African Distribution Agent

Highlights:

- Emerge Gaming appoints Netsport Media as ArcadeX distribution agent
- Netsport Media is a mobile video content provider throughout Africa and the Middle East
- Netsport Media has an international reach of 49 Countries
- Partnered with all major telecommunication companies in Africa and the Middle East
- Netsport Media to act as a distribution agent to assist in mass roll out and launch of ArcadeX across various markets
- Emerge Gaming to work with Netsport to leverage off current highly credible client portfolio to introduce the ArcadeX technology across various regions
- Netsport Media current clients include well recognised brands such as CellC, VodaCom, MTN, airtel & FOX8

Emerge Gaming Limited (ASX: EM1) (“Emerge Gaming” or the “Company”), the operator of online eSports and casual gaming tournament platform and lifestyle hub “**ArcadeX**”, is pleased to advise that it has agreed to partner with Netsport Media, an African based mobile video content provider, to distribute ArcadeX throughout key regions in Africa and the Middle East.

Netsport Media provides rich media content to mobile value-added services (VAS) markets in Africa and the Middle East. In addition to creating viral video content, they also partner with and secure exclusive distribution rights from, international content owners in the health, education, sports and entertainment categories. This content is repackaged for specific mobile markets and translated where appropriate.

Netsport Media has one of the most comprehensive short format video catalogues comprising upwards of 60 varying video services across over 49 countries. The catalogue covers multiple genres, categories and subjects, providing a comprehensive video offering for consumers of all ages and demographics. Distribution is focussed around emerging markets and Netsport Media has a significant, and growing, reach and penetration into many African and Middle Eastern markets with additional new markets on the radar.

Netsport Media sees the opportunity with Emerge Gaming as a natural synergy as it introduces eSports content into their current catalogue which currently is not available.

CEO, Gregory Stevens noted: “Netsport Media has a strong network of relationships in telecommunications and marketing across 49 countries in Africa and the Middle East. A strategic partnership with Netsport Media allows Emerge Gaming to scale its assets due to Netsport’s existing global presence. I am confident in Netsport’s ability to distribute our products throughout the Middle East and Africa and potential to drive near term revenue for the company.”

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Greg Carswell, Netsport Director noted: *“Today, Netsport Media & Mobile is one of the most prominent content providers of short format video into the mobile networks in Africa, the Middle East and beyond. In addition to creating high quality content, we also partner with and secure exclusive distribution rights from international content owners in the health, education, sport and entertainment categories. With the rapid transformation from feature phones to smartphones in Africa and the rollout of fibre into the major cities with data costs dropping, we believe the gaming industry in Africa is about to explode.*”

We believe the ArcadeX eSports and mobile platform, combined with the mobile distribution network of Netsport in the Middle East and Africa, is going to be the most compelling and exciting eSports/gaming offering that the African continent has seen, with enormous potential for gamers, sponsors and advertisers.

The roll out of the ArcadeX is scheduled to kick off in UAE, Tunisia, Algeria and Kuwait in the third quarter of this year, shortly by Nigeria and South Africa along with the rest of Africa to follow.”

Netsport Media rose to prominence in Africa’s publishing sector as a producer of world-class, circulation-boosting magazine supplements. With iconic products like SA Sports Illustrated Swimwear in our portfolio we expanded our offering to encompass branded multimedia experiences that combined print, television, radio, mobile and digital outputs. Netsport Media has proven ability to appeal to a wide range of audiences. Multi-media creations included SA Sports Illustrated Swimwear, Kick Off SoccerBabes and SA Lingerie.

Agreement

Under the Agreement, Emerge Gaming grants Netsport Media an exclusive, non-transferable license to use its ArcadeX technology in regions not covered by existing distribution agreements, such as agreement with Petrimex (ASX: 26 November 2018).

The Agreement allows Emerge Gaming to leverage Netsport Media’s established connections to expand the ArcadeX user base.

Each country will be assessed on a region-by-region basis. Exclusivity of the license granted is based on performance versus KPIs. Netsport Media must enter three enterprise agreements for ArcadeX in the first year of the Agreement, with the first enterprise agreement to be executed within 3 months of the Agreement. To extend exclusivity in year 2, Netsport will need to: enter into two enterprise agreements within the first 6 months of year 2; enter into two additional enterprise agreements in second half of year 2; and generate a minimum of USD\$500,000 of gross revenue during year 2.

If the KPIs are not met, the license reverts to a non-exclusive license.

The initial term of the Agreement is one year. Gross profits (after expenses) will be shared equally between the partners with 50% to Emerge Gaming as the technology partner and 50% to Netsport Media as the marketing and distribution partner.

The financial impact of the Netsport agreement is not determinable at this time and as a standalone agreement is not expected to generate material revenues. It will however provide ArcadeX with the potential of further agreements with telecommunication distribution partners.

Outlook

Emerge Gaming is excited for the planned developments for 2019 and beyond and is eagerly looking forward to beginning the year with specific targets which have already been identified. The team is well positioned to focus on regional market penetration to enable to key revenue drivers to come to fruition.

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About Emerge Gaming

Emerge Gaming Limited (ASX:EM1) is a leading eSports and Casual gaming tournament company. Emerge Gaming operates the online eSports and casual gaming tournament platform and lifestyle hub "Arcade X". Via this platform, casual, social and hardcore gamers can play hundreds of gaming titles against each other via their mobile, console or PC.

The platform uses its unique IP, advanced analytics tracking and proprietary algorithms to deliver an optimum tournament gaming experience for users while providing advertisers with the perfect vehicle for delivery of their messaging to a fully engaged audience.

More information: www.emergegaming.com.au and view the Arcade X platform at www.ArcadeX.co

About NetSport Media www.netsportmedia.com

Netsport Media provides rich media content to mobile value-added services (VAS) markets in Africa and the Middle East. In addition to creating content that is polished, compelling and relevant, we also partner with – and secure exclusive distribution rights from – international content owners in the health, education, devotion, sport and entertainment categories. This content is repackaged for specific mobile markets and where appropriate is translated to ensure local resonance.

Our proven ability to appeal to a wide range of audiences is underpinned by our unchanging values, which include our belief in great and lasting relationships, a devotion to world class production standards, and an insistence that the work we do must be enjoyable and in the service of a greater good.

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