ASX RELEASE

19 February 2019

International Gaming Platform Set to Launch in Australia

Highlights:

- **ArcadeX revolutionary Media Gaming Platform to launch in Australia in March 2019**
- South African pilot demonstrated outstanding brand engagement underpinned by solid engagement metrics:
    - 150,000 monthly game sessions
    - >15-minute average engagement time
    - An impressive bounce rate of less than 5%
- Partnering with leading multinational brand agency **Meerkats providing first-class Australian brand access**
- Media platform to include:
    - refined user experience and analytics platform
    - a range of new advertising packages
    - full suite of native iOS and Android Application
- Introduction of refined ArcadeX improved Platform Iteration with SDK and White Labelling capability to capitalize on Tier 1 brands with large marketing budgets
- The imminent launch of **Native iOS and Android Smartphone Applications** (available on Google Play and App Stores March 2019)

Emerge Gaming Limited (ASX: EM1) ("Emerge Gaming" or the **"Company"**) is pleased to announce that **ArcadeX** will launch in Australia and other tier 1 countries in March 2019 following extensive research and planning.

The South African pilot was highly successful with KPI's being exceeded for each brand that took part. The first version of the platform had a very high returning user count with long engagement times being recorded. This demonstrates the strong retention and low acquisition cost surrounding the platform. The launch of the new UI/UX platform has been further optimized to bring stronger results, ideal gaming experience and a perfect opportunity for brands as we move into Tier 1 markets such as Australia, US, UK, and Europe.

Marketers have grappled with digital branding for several years now, with the shifting sands of social, programmatic and display colliding to create a confused and noisy marketplace. At the same time, digital success metrics have been hyper-focused on simple 'eyeball' impressions and superficial interactions, to the detriment of brand engagement and understanding. ArcadeX has been designed to integrate and engage the end user instead of disrupting them and has created an ideal two-way value between advertisers and users.

A comprehensive overview of the ArcadeX strategy for the Australian launch is appended.

Refined User Experience

The ArcadeX platform offers a hybrid environment that gives access to both eSports and casual game titles using proprietary coding and technological integrations.

The ArcadeX platform has been designed from the ground up to provide seamless advertising with little or no game disruption for gamers.

New Tier 1 Advertising Packages

With validation by Meerkats and in-depth focus groups with key Australian brands, Arcade X will launch new packages that range from programmatic display inventory through to fully white label opportunities.

Along with brand sponsored tournaments, dedicated digital real estate on the platform will be presented to the brands to use for advertising. This is in the form of a brand pages, branded banners and tournaments, and gaming reskins or lead generation within the games.

Introduction of SDK and Native Apps

The ArcadeX platform launching in Australia will include both iOS and Android apps designed to optimize gaming for casual gamers and provide significant advertising opportunities. The platform is fully tracked via an integrated analytics platform which delivers (amongst other data) live ROI reporting for brands to review live user engagement. These analytics can also be used to understand the demographics of the audience, allowing brands to understand the granular levels of ROI gained through using ArcadeX as a tool to grow their brand and drive acquisition. The platform has full white label ability and can be customized on demand to deliver a true gaming and brand experience.

***CEO, Gregory Stevens advised**, "After achieving outstanding brand engagement and user engagement results in our pilot in South Africa, Emerge Gaming has carefully refined the ArcadeX platform in partnership with Meerkats and other leading Australian brands to deliver what will be a revolutionary media platform for advertisers to engage with the massive casual gaming market.*

Our focus is now on the March launch and rollout of advertising packages to major advertising agencies and clients in Australia and I look forward to sharing results with shareholders in coming months."

***Gavin Bain, CEO, Meerkats Brand Leadership Company commented,** "Meerkats was engaged by Emerge Gaming to optimize the advertising environment within the ArcadeX gaming platform to provide gamers maximum impact with minimum gaming disruption.*

Australian brands will have a first to market opportunity to build bespoke branded games, partner for branded engagement opportunities within the variety of tournament style gaming environments and deliver creative messaging to a hard to reach audience as part of a programmatic schedule.

The ArcadeX game environment will grow quickly as it has in the South African market already, so we've been excited to be involved in its Australian development."

EMERGE GAMING

ASX:EM1 I ABN 31 004 766 376

For further information:

Australia	South Africa	Media Enquiries
Bert Mondello Chairman E: bmondello@regencycorporate.com.au P: +61 8 6380 2555	Gregory Stevens CEO E: greg@emergegaming.com.au P: +27 72 420 4811	MMR Corporate Services media@mmrcorporate.com P: +61 2 9251 7177

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 Cloudzen & GameCloud

Singapore-based **Cloudzen** is a leading cloud gaming and mobile entertainment Platform as a Service provider which offers various means of communications channels through digital entertainment via game stores, communities and social networks. It was founded in 2015 by veteran game developer Mr Robin Tan and has revolutionized game streaming through its **GameCloud** technology platform.

GameCloud provides gamers with a one-stop portal for instant access to hundreds of AAA-rated 3D games and live streaming on mobile devices without having to download the game or any further hardware requirements. GameCloud enables gamers to play at any time from handheld devices and smart TVs, with multiplayer gaming, video streaming and social networking.

Cloudzen offers significant synergies with Emerge Gaming's Arcade X platform, which caters for different segments of the online gaming community. The platform targets 2 billion mobile gamers worldwide and has significant advantages over the PC and console game segment, which also represents a combined 255 million gamers.

ARCADE

Media Launch Strategy Australia

Emerge Gaming Limited ASX:EM1
19 February 2019

What Is Arcade X

ArcadeX is one of three commercial models of Emerge Gaming Ltd, a **gaming media platform** for brands to cleverly engage with casual gamers.

Platform to connect brands to gaming.

Includes sponsored tournaments, live matchmaking and prizes with participation rewards.

Ability to distribute branded games across any mobile platform.

+

GameCloud technology is the leading streaming gaming entertainment platform.

2 Years International distribution rights targeting telecommunication companies. Accelerated distribution commenced in 2019.

+

Pay to Play Value Added Services (VAS).

Gamers pay a fixed recurring fee to get access to ArcadeX games and rewards. Currently integrated into over 16 telcos with access to over 300M customers.

Results to date:

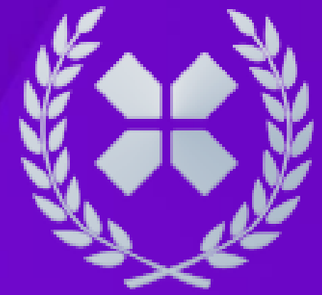
In 2018, ArcadeX was launched in South Africa where the company was able to fine tune the product, game offering and commercial model.

150K+

Game Sessions Monthly

15 mins

Minimum Engagement



< 5%

Bounce rate

We Partnered with the Best

“Meerkats was engaged by Arcade X to optimise the advertising environment within their tournament gaming platform with maximum impact and minimum gaming disruption.

Australian brands will have a first to market opportunity to build bespoke branded games, partner for branded engagement opportunities within the variety of tournament style gaming environments and deliver creative messaging to a hard to reach audience as part of a programmatic schedule.

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Gavin Bain, CEO
Meerkats Brand Leadership Company

Preparation of Australian Launch

Research and development of advertising packages

Review of UX and UI to balance between gamers and advertisers

Development of native iOS and Android Apps

Integration of large selection of new games

Trade marketing strategy

Go to marketing and sales strategy

Aussies Love to Play

Massive untapped casual gaming market for brands.

67%

of Australians play games - PC, mobile, consoles, tablet

80%

of households have more than one device

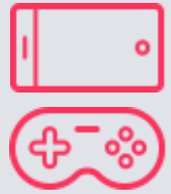
Who is playing?

76% of children under 18

65% of working age adults

43% of older adults (65+)

How much are we playing?



Mobile gaming has increased 18% since 2013

Casual gamers play twice a day (10 mins per session)

The Perfect Marketing Channel

Marketers have grappled with digital branding for several years now, with the shifting sands of social, programmatic and display colliding to create a confused and noisy marketplace.

At the same time, digital success metrics have been hyper-focused on simple ‘eyeball’ impressions and superficial interactions, to the detriment of brand engagement and understanding.

Integrate and engage the end user instead of disrupting

Create **two-way value** between advertisers and users

Arcade X can seamlessly deliver marketing both inside and outside of the platform via brand sponsored tournaments.

Corporate Customers will engage in digital amplification marketing using their marketing budgets to **promote their brand and drive users to Arcade X**.

Commercial Model

Custom White Label

Branded app experience with bespoke game

2 variations

Branded Tournament Plus

Branded host and hosted tournament sections

Brand extension features - celebration graphics, sudden death-match game style

ArcadeX onsite tournament drivers

2 variations

Insertion Order (direct)

Ad placements booked via a contract with Emerge and implemented through DFP by the publisher

Enables advertisers to use on site data to build targeting segments via a DMP integration (ie. fast food behaviours)

Programmatic

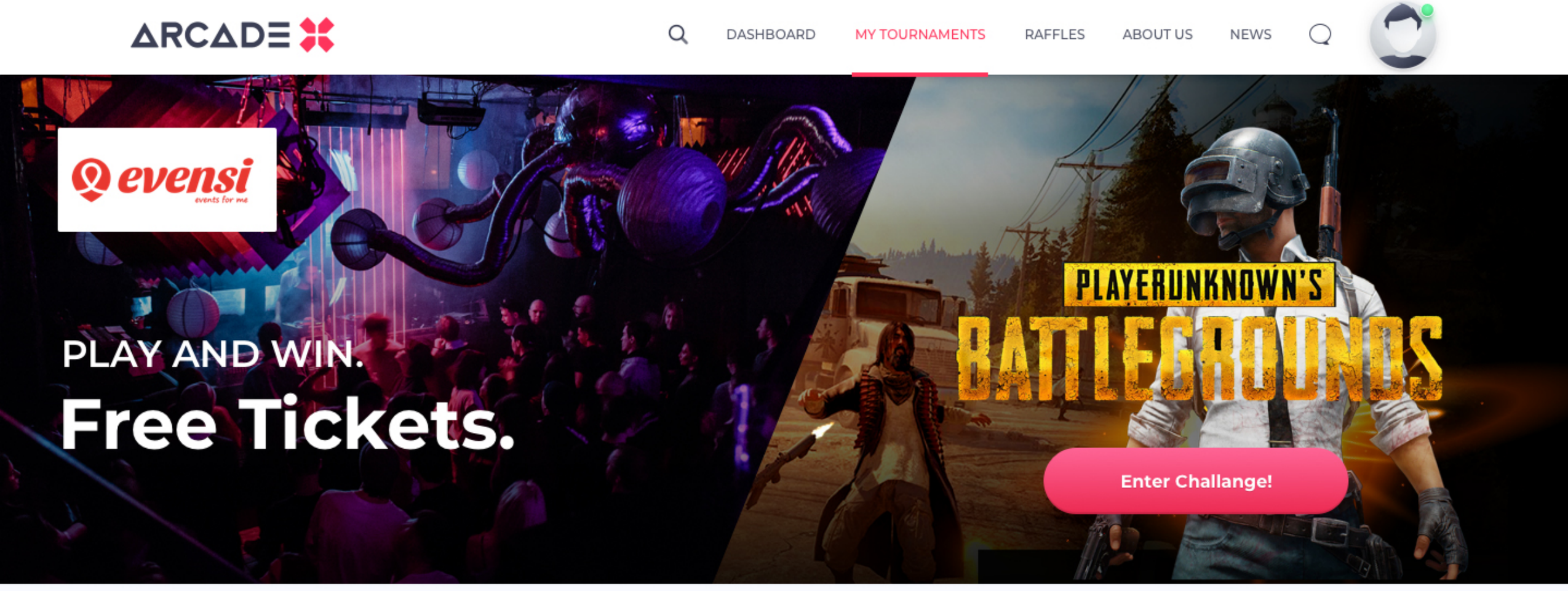
Ad placements delivered through programmatic media buying

Through a third party, we're able to add this inventory to media buys for major agencies

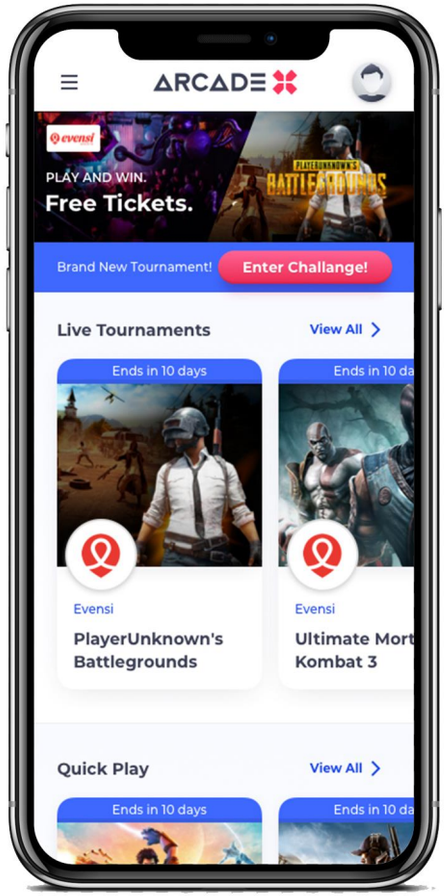
Outside ArcadeX Platform

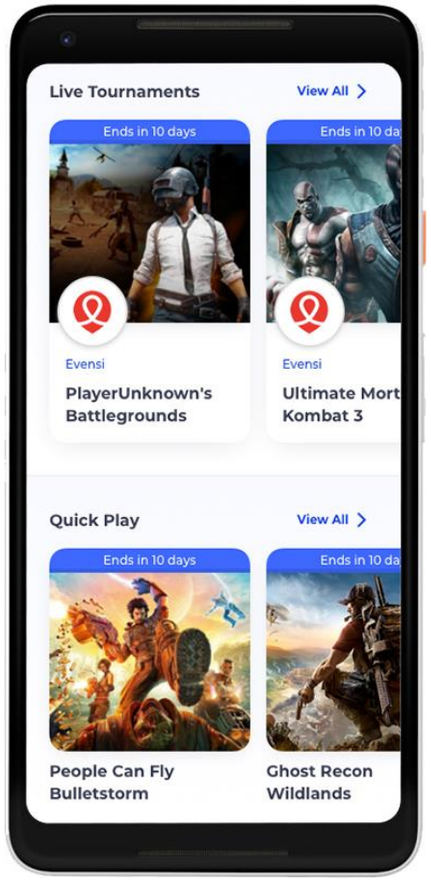
Within ArcadeX Platform

Refreshed Design for Australia and Tier 1 countries



Custom Built Native Android and iOS Apps - scheduled to launch March 2019





- Optimised UX/UI experience
- Customised analytics and engagement tools for end users and advertisers
- Automated brackets and leaderboards
- Player profiles and Battle Points
- Raffles and Rewards
- Hundreds of games and third party platform integrations
- Multiple billing platforms fully integrated

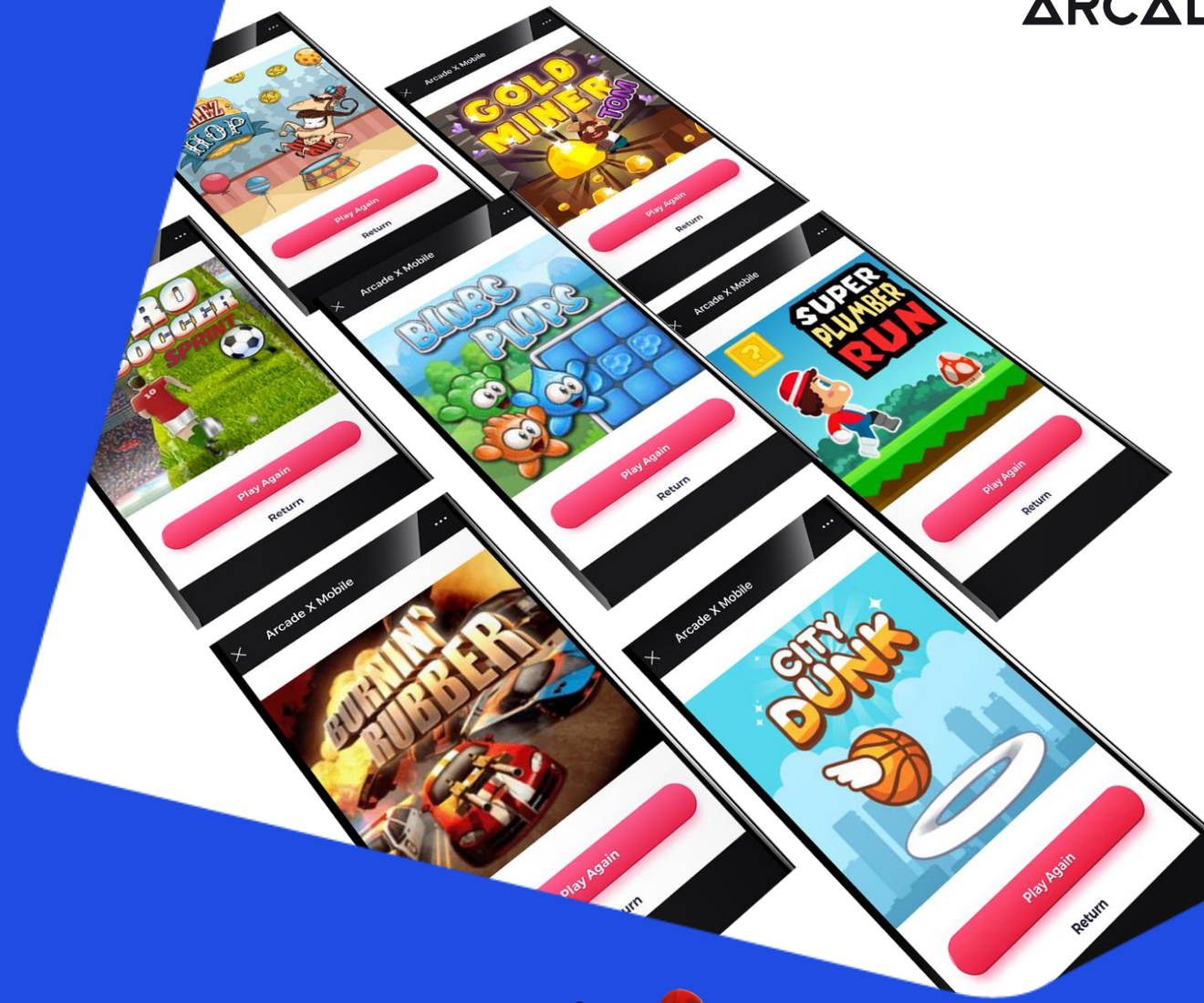
Available on the App Store

GET IT ON Google Play

New Games

Multiple Game Titles

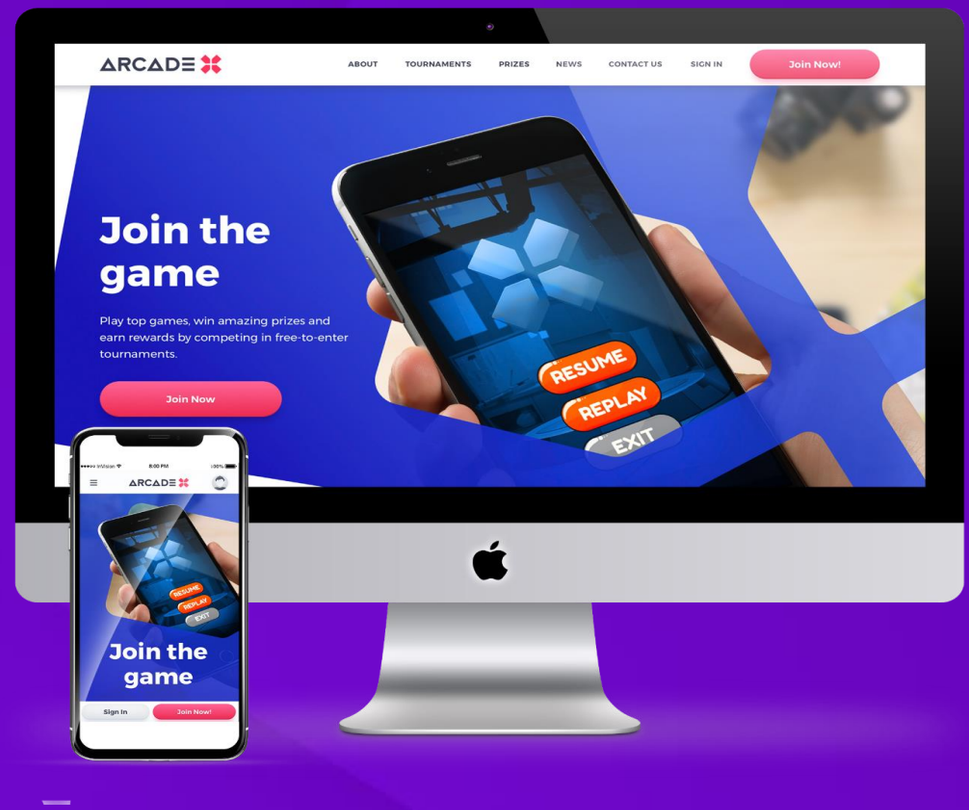
Advertiser Focused Content



Integrated customised content for HTML5 and AAA games. Creating awareness and affinity for brands while players are engaged.

What's Next for Australia?

- Finalise trade marketing kit including media kit and promotional video (Feb 2019).
- Launch of Arcade X website (March 2019).
- Launch of iOS and Android native mobile apps (March 2019).
- Roadshow to tier 1 brands and all major advertising Agencies in Australia (March 2019 onwards).
- First Australian branded tournament with a corporate customer.
- Reporting of platform metrics - user numbers, engagement and retention, revenue generated.



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THANK YOU

Contact:

Australia
Bert Mondello
Chairman
E: bmondello@regencycorporate.com.au
P: +61 8 6380 2555

South Africa
Gregory Stevens
CEO
E: greg@emergegaming.com.au
P: +27 72 420 4811

Media Enquiries
MMR Corporate Services

media@mmrcorporate.com
P: +61 2 9251 7177

Emerge Gaming
ASX:EM1