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30 January 2015

QUARTERLY CASHFLOW STATEMENT – INTRODUCTION

Animoca Brands Corporation Limited (“the Company,” formerly Black Fire Minerals Ltd., ASX stock code: AB1), which successfully listed on the Australian Securities Exchange on January 23, 2015, today released its quarterly cashflow statement for Q4 2014. In addition to financial results released today, Animoca Brands wishes to highlight a number of points pertinent to its business.

Market fundamentals: market research firm Newzoo recently estimated that the mobile game market was worth about USD 25 billion in 2014, which is a growth of 42% compared with 2013. As the first and only pure mobile gaming company to be listed on the ASX at the current time, Animoca Brands is well positioned to capitalize on the lucrative and growing mobile game market, which is estimated to grow to over USD 40 billion in 2017.

Business focus: as a pure developer & publisher of mobile games, Animoca Brands maintains complete focus on its core business and core competence to avoid distractions and minimize costs and resource utilization.

Portfolio approach & risk distribution: the company employs a portfolio-based business model that distributes risk among several easy-to-produce apps (as opposed to the “hit-based” approach, which focuses on a few complex and expensive productions). The portfolio approach confers fundamental advantages over the more popular “hit-based” approach, since the failure of one single major “hit” production can be detrimental to a game company, whereas the failure of any one product in a broad portfolio becomes an easily tolerable risk.

Marketing & app distribution: the portfolio approach has allowed Animoca Brands to build a broad marketing base of users who play the Company’s apps, allowing it to cross-market its games to an established audience and thus significantly reduce costs for advertising and user acquisition.

Brand power: a key differentiating aspect of Animoca Brands is that the Company has incorporated a character licensing strategy into its business model to leverage the popularity of world-famous intellectual properties (IP) including Garfield (USA), Doraemon (Japan), Crayon Shin-Chan (Japan) and Ultraman (Japan).

Iteration: Animoca Brands utilizes a strategy of iterative development, allowing the Company to build on its successes relatively inexpensively by re-adapting components of its games that perform well. Combined with its risk distribution portfolio strategies, iterative development makes Animoca Brands especially resilient in the face of industry trends such as rising marketing costs and increased competition.

January events: In January, Animoca's CEO Robby Yung attended and spoke at important global gaming conferences including Pocket Gamer Connects and Mobile Games Forum, both in London, and will speak at the upcoming Casual Connect Europe. Mr. Yung met with a number of top game developers, publishers, studios, platform representatives, and service providers to identify upcoming opportunities for the Company to create new games, secure additional intellectual property licences, strike distribution and marketing agreements, and seek suitable partners.

Short & medium term plans: in the current and upcoming quarters, Animoca Brands is focusing on further improvements of its key metrics and financial profile. The goal is to maximize Animoca Brands' expanding distribution network, which as of the time of writing has generated well in excess of 100 million downloads. The Company is placing emphasis on:

- 1) increasing marketing spend to accelerate user acquisition and revenue generation
- 2) entering into new character licensing agreements with other global brands,
- 3) entering into commercial agreements with independent game developers to acquire or publish third party products, and
- 4) building its presence in growth markets, especially China and India

Animoca Brands will update the market on the status of the above initiatives and their impact on business performance when full yearly financial data is issued in February/March 2015.

-- ENDS --

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Animoca Brands Corporation Ltd

ABN

29 122 921 813

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter US\$'000	Year to date (6 months) US\$'000
1.1 Receipts from customers	-	-
1.2 Payments for (a) staff costs (b) advertising and marketing (c) research and development (d) leased assets (e) other working capital	(568)	(931)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	(10)	(10)
Net operating cash flows	(578)	(941)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$US'000	Year to date (6 months) US\$'000
1.8 Net operating cash flows (carried forward)	(578)	(941)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	-	-
Net investing cash flows		
1.14 Total operating and investing cash flows	(578)	(941)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,947	1,947
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings *	578	941
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (capital raising costs)	(78)	(78)
Cash acquired from deemed subsidiary **	421	421
Net financing cash flows	2,868	3,231
Net increase (decrease) in cash held	2,290	2,290
1.21 Cash at beginning of quarter/year to date	-	-
1.22 Exchange rate adjustments to item 1.20	32	32
1.23 Cash at end of quarter	2,322	2,322

* Due to the Company's capital raising under its replacement prospectus only closing on 24 December 2014, the Company has been provided loans by related parties of its former parent Appoinics Holdings Ltd to fund its operating expenses (namely staff costs). The Company has (in addition to the above) recorded revenue from its app portfolio and incurred costs relating to generating this revenue, with the net cash proceeds from these operations having been settled post balance date.

+ See chapter 19 for defined terms.

** Due to the nature of the reverse acquisition, Animoca Brands Corporation ('Animoca') is deemed to have acquired Animoca Brands Corporation Ltd (formerly Black Fire Minerals Ltd, 'AB1') for accounting purposes. Accordingly, the cash acquired contained within the cash flow statement represents the cash on hand in AB1 on 24 December 2014 and the prior quarters cash outflow has been restated to represent Animoca's cash flow for the period .

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter US\$'000
1.24	Aggregate amount of payments to the parties included in item 1.2	58
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Managing director salary, directors' fees and superannuation. </div>	

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available US\$'000	Amount used US\$'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter US\$'000	Previous quarter US\$'000
4.1 Cash on hand and at bank	2,322	-
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	2,322	-

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	Animoca Brands Corporation	
5.2 Place of incorporation or registration	British Virgin Islands	
5.3 Consideration for acquisition or disposal	75,000,000 fully paid shares, 30,000,000 A class performance shares and 15,000,000 B class performance shares.	
5.4 Total net assets	US \$10,000	
5.5 Nature of business	Mobile app maker	

Note that due to the nature of the reverse acquisition previously noted, the cost of the acquisition of Animoca Brands Corporation is not listed in the body of the cash flow statement. Please refer to the Company's pro-forma financial statements contained within the Company's replacement prospectus dated 4 December 2014 for further details.

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30 January 2015
Donald Stephens
(Company secretary)

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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