

CAPSTREAM VENTURES INC.

Suite 530 – 625 Howe Street Vancouver BC V6C 2T6
T: 604.687.7767 F: 604.688.9895

NEWS RELEASE

September 7, 2016

TSXV Symbol: CSP

CAPSTREAM ANNOUNCES ACQUISITION OF ADDITIONAL SHAREHOLDING IN AXION GAMES

Vancouver, British Columbia – Capstream Ventures Inc. (“Capstream” or the “Company”) (TSX Venture: CSP) is pleased to announce that it has increased its beneficial ownership of Axion Games Limited (“AG”) from 46.08% to 51.01% through its participation in a rights issue offered by AG to its existing shareholders (the “Rights Issue”). AG raised US\$4,000,000 by way of the Rights Issue, issuing 44,147,670 preference shares in the process, of which Capstream acquired 30,686,275 preference shares for a purchase price of US\$2,780,330. The capital raised by AG is expected to fund its working capital needs, including new product development and publishing costs of new games over the next 12 months. The Company now holds an aggregate of 106,972,953 direct and beneficial shares of AG.

Axion Games Limited is a Cayman Islands based private company with primary operations in the online video games space in Shanghai, People’s Republic of China. AG focuses on cross platform development of high production value, triple-A quality online video games, in addition to publishing online video games, and licensing its proprietary titles to numerous third party online video games publishers globally.

On behalf of Capstream Ventures Inc.

“John Todd Bonner”

Chief Executive Officer
Telephone: 604.687.7767

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibilities for the adequacy or accuracy of this release.

Cautionary Statement Regarding Forward-Looking Information

Certain statements contained in this press release may constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words “could”, “intend”, “expect”, “believe”, “will”, “projected”, “estimated”, “proposed” and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Capstream’s current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Capstream. Risk factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things: the failure to obtain final TSX Venture Exchange approval; general economic and business conditions; and changes in regulatory regime. Capstream cautions the reader that the above list of risk factors is not exhaustive. The

forward-looking information contained in this release is made as of the date hereof and Capstream is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.