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NEWS RELEASE

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TSXV Symbol: AXV

AXION COMPLETES HOTNOW INVESTMENT

Vancouver, British Columbia – Axion Ventures Inc. (formerly Capstream Ventures Inc.) (“Axion” or the “Company”) (TSX Venture: AXV) is pleased to announce that further to its news release dated October 26, 2016, the Company has closed its investment in Red Anchor Trading Corp. (“**Red Anchor**”), a company engaged in the business of developing an application known as “HotNow”.

In consideration for the US\$1.5 million investment, Red Anchor issued 9,375 ordinary shares of Red Anchor to Axion at US\$160 per share, representing 15% of the post-closing issued and outstanding voting shares of Red Anchor on a fully-diluted basis (the “**Investment**”). As certain parties were considered non-arm’s length parties (within the meaning of TSX Venture Exchange (“**TSXV**”)), as a condition to final TSXV approval, the parties had agreed to hold the majority of the Company’s subscription proceeds in escrow until Red Anchor received a minimum of US\$500,000 subscription proceeds from arm’s length parties. However, Red Anchor was able to close the foregoing minimum arm’s length party investment concurrently with the Investment and at the same valuation.

“We are very excited to complete the Investment,” said John Todd Bonner, CEO and Chairman of the Company. “In the latter part of 2016 and the first quarter of 2017, we focused our team on forming our joint venture with True Corporation Public Company Limited and assisting Axion Games Limited with strategic advice on game development and launch, which are both progressing well. We are also pleased to note the following progress of HotNow:

	At December 31, 2016 - Q4	At March 31, 2017 - Q1
Thailand Google Play Store Ranking in Lifestyle Category	400+	#1 (Top Free App) Note: Also #1 for Trending App
Application Downloads	160,072	277,388
Merchants ⁽¹⁾	33,372	43,596
Social Media Following	121,231	145,358
Redemption (total)	Promotions issued ⁽²⁾ : 4,564 Promotions saved: 3,994 Promotions redeemed: 882	Promotions issued ⁽²⁾ : 9,444 Promotions saved: 16,453 ⁽³⁾ Promotions redeemed: 3,230
User Acquisition Cost	US\$1.00	US\$0.36 (3-month average)

⁽¹⁾ Includes various international brands.

⁽²⁾ Promotions issued means content featured on the promotion timeline within the HotNow application.

⁽³⁾ Promotions saved exceeds promotions issued because different parties can save the same promotion.

HotNow add-ons since Oct 2016:

- Push notifications that allow merchants to provide offers to specific target audiences within certain proximities.
- Merchant Dashboard.
- Merchant tracking system for consumer data analytics.”

In connection with the Investment, Axion received: (i) participation rights in any future security offering of Red Anchor that will allow it to maintain its proportionate interest in Red Anchor; (ii) tag-along rights

in the event of certain share transfers; (iii) information rights to monthly management reports and financial statements of Red Anchor; (iv) inspection rights; and (v) for so long as Company holds at least 5% of the outstanding shares of Red Anchor, the right to appoint at least one non-executive director to the Red Anchor board of directors.

About Axion

Axion Ventures is an Investment Issuer with interests in: (i) Axion Games Limited, a private online video games development and publishing company with primary operations in Shanghai, China; (ii) Innovega Inc., a private display technology eyewear and contact lense company with offices in San Diego, California and Bellevue, Washington; (iii) True Axion Games Ltd., a newly formed private video game company with primary operations in Bangkok, Thailand; and now (iv) Red Anchor, a private British Virgin Islands company, which owns and operates the HotNow mobile application.

About Red Anchor

Red Anchor is a private British Virgin Islands company with primary operations in Bangkok, Thailand. Red Anchor owns and operates the HotNow mobile application, an on-demand marketing automation platform that provides machine learned, optimal promotional means for retailers to reach relevant consumer users of the HotNow application. For the consumer users, HotNow is a discovery and directory application of local retailers and their hottest promotions in genres of their interests and within their proximity.

Related Party Transactions

John Todd Bonner is the Chief Executive Officer and Chairman of the board of directors (the “**Board**”) of the Company and beneficial owner of 38.18% of the issued and outstanding voting shares of Red Anchor prior to closing the Investment. Therefore, Mr. Bonner is considered to be a non-arm’s length party of the Company within the meaning of the policies of the TSXV. In addition, Nithinan Boonyawattapisut, a controlling shareholder of the Company, also beneficially owned an additional 38.18% of Red Anchor prior to closing the Investment, and is also a party to the investment agreement to give certain representations, warranties and covenants. Therefore, the Investment is, or may be, considered a related party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Based on written recommendations prepared by a special committee of the arm’s length directors of the Company, the Board, with Mr. Bonner abstaining from voting where required, agreed to the terms of and closing the Investment. There were no materially contrary views, or abstention by any directors other than as set out above and there were no material disagreements between the Board and the special committee. The Company is exempted from both the formal valuation requirement pursuant to s.5.5(b) of MI 61-101 and the minority approval requirement pursuant to s.5.7(1)(a) of MI 61-101. The Investment was completed less than 21 days after the date of this news release, as several material matters were uncertain and not ascertainable until at, or close to, the date of this release. These matters included the closing terms of the Investment, internal approvals of the Company and final approval of the TSXV. Due to, in part, to the foregoing, the Company was unable to issue this release prior to today’s date with any certainty, and in the Company’s opinion this shorter period was unavoidable as well as reasonable and necessary in the circumstances.

On behalf of Axion 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 Axion’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 Axion. 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. Axion 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 Axion 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.

Red Anchor Information

The information concerning Red Anchor in this news release has been provided by Red Anchor. Although Axion has no knowledge that would indicate that any of such information is untrue or incomplete, Axion does not assume any responsibility for the accuracy or completeness of such information or the failure by Red Anchor to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to Axion.