



AXION VENTURES ANNOUNCES TRUE AXION UPDATE AND LOANS

VANCOUVER, BRITISH COLUMBIA, November 08, 2018 - Axion Ventures Inc. (“Axion Ventures” or the “Company”) (TSX VENTURE: AXV; OTCQX: AXNVF) announces that its Bangkok studio, True Axion Interactive Ltd. (“TAI”), recently unveiled its first game, “Invictus”, at the Thailand Game Show 2018.

TAI is the Company’s joint venture subsidiary with True Corporation Public Company Limited (“True Corporation”), one of Southeast Asia’s leading telecommunications, media enterprises, and game publishers. TAI commenced operations in March 2017 and has grown to approximately 80, comprised of experienced game designers, 2D & 3D artists, animators, and software engineers.

The Thailand Game Show, Southeast Asia’s largest gaming event, was hosted by True Media Solutions and Show No Limit and was a gathering of gamers and industry professionals such as Tencent Games, Facebook Gaming, Disney, Marvel, and Google Play.

TAI’s display booth focused on its first project, Invictus, which is the first AAA quality mobile game made in Thailand. Invictus has enhanced high poly graphics and is targeted for mid-core to hard-core players. Core gameplay is PvP (player-versus-player) sword and other weapon fighting controlled by the application of card decks. The current 50+ person Invictus team believes this uniqueness provides an opportunity to play a fighting game not only by players with superior reactionary motor skills, but also by a much more casual player (mid-core). At the same time, the team believes it offers a very high level of tactic variability and strategy planning during the fight. Speaking simply, the team is creating a fighting game where players are not required to make thousands of swipes and taps on the screen, but where players can plan their respective fight and choose next their move.

TAI received preliminary results from the game from approximately 700 conference attendees who tested the game at the show. When asked if such players would play the game after its commercial launch, 66% responded with “yes, definitely”, 20% with “waiting to ask friends first”, 12% were indifferent, and only 2% responded with “no”. Of the visitors to TAI’s display booth was even Thailand’s very own Prime Minister, Prayut Chan-o-cha.

“We are extremely proud with the True Axion team and the progress they have made in only a short amount of time” said Todd Bonner, CEO and Chairman of Axion Ventures. “The studio’s first product is receiving very good feedback and the excitement and energy of the young team reminds me of starting up Axion Games in Shanghai in 2006. It’s also not too often you have a country’s Prime Minister show interest in a company’s game and progress and we are hopeful that the Thai government continues to provide incentives and support to the Thai video game industry”.

The soft-launch of Invictus is planned for the Q1 of 2019 with commercial launch later in Q1 or in Q2 of 2019.

Rising Fire

Despite the recent positive feedback and press from Invictus, the Company continues to focus on Axion Games Limited’s (“Axion Games”) AAA online PC game, “Rising Fire”, which is currently being disseminated in China through Tencent Holding Limited’s (“Tencent”) distribution network. Rising Fire was made commercially available on June 28th, 2018 and continues to progress through the early stages of its strategic launch cycle through Tencent’s “WeGame” network. China hosts the largest video game market of any country in the world and Tencent is its’ leading video game distributor. The next expected tuning patch delivery to Tencent is scheduled for the second half of November, whereby Axion Games shall be specifically focusing on PvE (player versus environment) gameplay. Upon receiving the next patch, Tencent shall collect player data and the Company expects a report to follow a few weeks thereafter. Axion Games is currently creating new content and optimizing Rising Fire based on continuous



feedback that has been provided by Tencent from a subset of the approximately 1.5 million players that have been able to download the game thus far.

“Our Rising Fire team has been working relentlessly tuning Rising Fire in response to player data collected by Tencent and is also being proactive with updates” said Todd Bonner. “We have been especially pleased with recent increases in player retention data as the team continuously tunes the game and we are hopeful that this next patch exceeds the thresholds for Tencent’s next stage of more aggressive marketing.”

Related Party Loan to the Company

The Company also announces that it has entered into another loan agreement (the “Loan”) with Red Anchor Trading Corp. (“Red Anchor”), a company engaged in the business of developing an application known as “HotNow”, whereby Red Anchor has loaned the Company an additional US\$4,917,505.78 to fund ongoing expenses. The Loan is unsecured, non-interest bearing, and payable on demand. Red Anchor is controlled by Mr. Todd Bonner and his spouse, Nithinan Boonyawattapisut. Red Anchor is also a portfolio company of Axion Ventures as the Company closed a US\$1.5 million investment in Red Anchor in April 2017 representing 15% of the outstanding voting shares of Red Anchor. The Loan is considered a related party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”), as Red Anchor is a related party of Axion Ventures, by virtue of Mr. Bonner’s role with Axion Ventures, Ms. Boonyawattapisut’s status as a control person of Axion Ventures and Mr. Bonner’s and Ms. Boonyawattapisut’s control of Red Anchor. Axion Ventures is relying on exemptions from the formal valuation and minority shareholder approval requirements pursuant to sections 5.5(b) and 5.7(1)(a) of MI 61-101 on the basis that the fair market value of the Loan does not exceed 25% of the Company’s market capitalization.

Company Loans to Axion Games

The Company also announces that it has loaned an additional US\$902,000 to Axion Games. The principal amount of the recent loan together with the principal amount of the loans announced in 2017 equals US\$2,214,140, which includes a reduction of principal equal to US\$392,000 as a result of the Company assuming and offsetting a loan owed by an ex-officer to Axion Games in exchange for his shares representing a beneficial interest of 3.21% of Axion Games. All loans bear interest at 8% and are due demand from the Company. Axion Ventures intends to convert the aggregate balance of the loans provided to Axion Games into shares in Axion Games at the next rights offering by Axion Games.

About Axion Ventures

Axion Ventures is an Investment Issuer with majority ownership in Axion Games, an online video game development and publishing company headquartered in Shanghai, China as well as in True Axion Interactive Ltd., its video game development company headquartered in Bangkok, Thailand cofounded with True Corporation. Axion Ventures also maintains holdings in other innovative technology companies.

www.axionventures.com

Axion Ventures Inc. is listed on the TSX Venture Exchange under the symbol (TSXV: AXV).

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

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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 the Company’s current belief or assumptions as to the outcome and timing of such future events. Such forward-looking information are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. In particular, this release contains forward-looking information relating to: Invictus and its launch date, Rising Fire and its tuning process and dates with Tencent, Tencent’s marketing efforts, use of the Loan proceeds from Red Anchor, and conversion of loans to into Axion Games shares. 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 the Company. The forward-looking information contained in this release is made as of the date hereof and the Company 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.