YDX INNOVATION Q3 2019 Financial Results

VANCOUVER, B.C. – May 6th, 2019 – YDX Innovation Corp (TSX-V: YDX, OTC: YDRMF, FSE: A2PB03) ("YDX" or the "Company"), has released its financial results for the nine months ended September 30, 2019. These filings and additional information regarding YDX Innovation are available for review on SEDAR at www.sedar.com.

Q3 2019 Highlights and Subsequent Events

- During the three months ended September 30, 2019, the company reported net sales revenue of $841,401, a 101% growth compared to net sales revenue of $416,802 during the three months of the same period in 2018.

- The Company's gross profit increased by $91,792 from a gross profit of $522,908 in the nine months ended September 30, 2018 to a gross profit of $614,700 in the nine months ended September 30, 2019.

- During the nine months ended September 30, 2019, the Company reported net sales revenue of $1,714,223 as compared to net sales revenue of $1,607,065 during the nine months ended September 30, 2018. The increase in revenue is due to the timing of revenue recognition of contracts. A portion of the increase is due to the focused expansion of Arkave VR.

Q3 Highlights

	Three months Ended September 30 2019	Three months Ended September 30 2018	Change	Nine months Ended September 30 2019	Nine months Ended September 30 2018	Change
Net sales revenue	$ 841,401	$ 416,802	$ 424,599	$ 1,714,223	$ 1,607,065	$ 107,158
Costs of Services Rendered	(545,183)	(308,222)	(236,961)	(1,099,523)	(1,084,157)	15,366
Gross Profit	296,218	108,580	187,638	614,700	522,908	91,792
Net income (loss)	(441,240)	(771,874)	330,634	(2,014,730)	(2,217,709)	202,979

Arkave VR Updates:

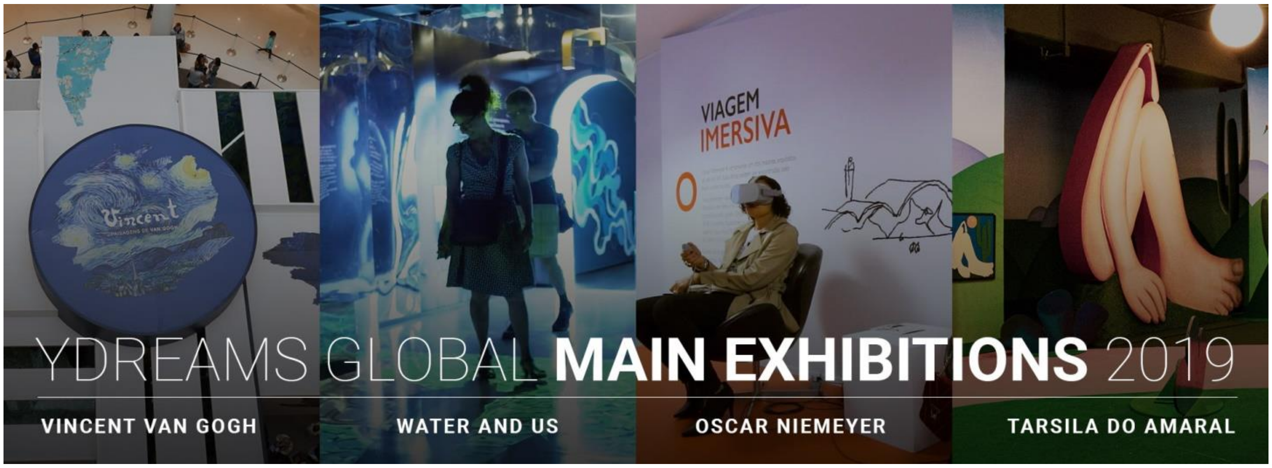
- The Company would like to provide a status update on the development of the game "Mickey Mouse and the Golden Heart". The game is in its final stages of development, but due to circumstances beyond the Company's control, release has been pushed to Q1 2020. This is the most important content created by the Company and the partnership with Disney is strategic to the future of the Company;

- The Arkave Flagship store in Vancouver has finished its remodeling and a business permit is underway. The Company will provide an opening date on social media;

- In November, the Company signed with Liquid Media Group to adapt their title "Romans from Mars" to Arkave VR. The game will run exclusively with Arkave VR and Synthesis VR;

- Arkave VR has signed with a new reseller and was present at IAAPA Expo, the largest event for theme parks and family entertainment centers, that happened last November, in Orlando;

- Arkave VR has been integrated with Synthesis VR and has added to its catalog a large number of single player games, including Beat Saber, recently acquired by Facebook.



YDreams Global Updates:

- In the past 4 months the Company has deployed 4 immersive exhibitions, the most recent opening last week with extensive coverage by the general media in Brazil. The interactive playground “Tarsila for Kids” was featured on several TV and newspaper articles;
- Example of the Exhibition on TV: https://globoplay.globo.com/v/8117290/;
- In December the Company is finishing the installation of its first project for airplane manufacturer Embraer. The Customer Experience Center is in its final stages of setup and the Company will present the results on social media.

Daniel Japiassu, CEO of YDX Innovation stated:

> *This has been a very important year for the future of the Company. We have created a solid foundation of new products and content that has the potential to generate growth for the Company in the next years. It was a necessary investment that we had to push forward in order to see the exponential revenue growth that is expected from us. Arkave has evolved into a marketplace for location-based VR and that’s a big innovation to the industry. The experience we are creating with Disney opened doors all over the globe and we are eager to reveal what should be one of the coolest experiences in Virtual Reality created until now. We have several new exhibitions that can be exported worldwide, not to mention high-end large projects for companies like Energisa and Embraer that we will be able to offer to similar companies in North America. It’s important to take in consideration that aggressive growth depends on large financing and investments, which we did not have access to this year. Naturally, that affected our results, but we are showing that the company will keep delivering great innovation and positive results.*

During the nine months ended September 30, 2019, the Company actively commissioned major projects including the following:

On February 26, 2019, the Company announced an agreement with The Walt Disney Company Brazil to create exclusive content for Arkave VR. The objective is to create a new VR experience using Disney's iconic IP – Mickey Mouse. The first game will be co-created by Disney and Arkave in Brazil and will bring Mickey Mouse to Arkave VR. On July 15, 2019, the Company announced that, with the support of The Walt Disney Company Brazil, it has opened pre-orders for "Mickey Mouse and the Golden Heart."

On March 21, 2019, the Company has signed a new project for the Brazilian aerospace conglomerate Embraer S.A., which is building a new center to host clients, investors and visitors at its global headquarters. YDX Innovation was initially commissioned to create the client journey, conceive the interior design and plan the interactive technology attractions.

On April 22, 2019, the Company announced an agreement with Synthesis VR to bring dozens of popular Virtual Reality Games to every Arkave VR Arena. On July 2, 2019, the Company announced the installation of a new Arkave VR Arena at the Virtual Reality gaming facility "VR Territory," operated by Synthesis VR, located in Los Angeles, California.

On May 10, 2019, the Company announced the signing of a collaboration agreement with Liquid Media Group Ltd., a global studio producing content for several platforms including film, TV, gaming and VR through its network of shared services.

On June 27, 2019, the Company announced the completion of a project commissioned by McDonald's. The Company was selected by McDonald's as a strategic consultant to assist in the planning and design of a conceptual flagship store in Brazil.

On July 18, 2019, the Company announced the purchase of two Arkave VR Arenas by the new Virtual Reality gaming facility "Game Changerz VR" located in Prince George, BC, Canada. And on July 29, 2019, the Company announced the purchase of two Arkave VR Arenas by the new entertainment gaming facility "Electric Dreams" located in London, UK.

On August 15, 2019, the Company announced the signing of a project development agreement with a main sponsor of "Water and Us" about the importance of water to our planet and for humankind. The project is expected to generate revenues of $220,000 and will be in Brazil.

On September 5, 2019, the Company announced a new design project with the Brazilian Aerospace manufacturer Embraer S.A.

On September 26, 2019, the Company announced that it has signed an agreement with the Corporate Office of Launch Family Entertainment to have Arkave VR as an official solution to be offered to franchisees.

On October 8, 2019, the Company announced an immersive exhibition created by a division of YDX named "Landscapes of Van Gogh" opened at a large shopping mall in Brasilia, the capital of Brazil. And on October 17, 2019, the Company announced that it signed a contract to create a new immersive exhibition with Getnet, a company part of the Santander Bank Group, as the main sponsor.

On October 25, 2019, the Company announced the installation of two Arkave VR Arenas at the 2019 edition of EGLX – Enthusiast Gaming Live Expo on October 2019.

On October 28, 2019, the Company announced that it was selected by Ericsson as one of the technical consultants to deliver the first live entertainment activation using 5G technology for Claro, a mobile telecommunications leader in Latin America.

On November 4, 2019, the Company announced that YDreams Global, a subsidiary of YDX, has signed a contract with energy group Energisa to lead a new project for a permanent educational exhibition focused on sustainable energy use.

About YDX Innovation

YDX Innovation Corp. (TSXV- YDX :: www.ydxinnovation.com) is a technology company that develops products and services and is an expert in immersive technologies like Augmented and Virtual Reality, eSports events and Interactive Exhibitions.

Currently three divisions are part of the YDX Family:

Arkave VR Arena – https://sales.arkavevr.com/ - a gaming platform that brings the most immersive Virtual Reality experience to Location Based venues with a highly scalable business model.

Arkave VR has five Arenas in the United States, two in the United Kingdom, two in Canada and a flagship store being built in Canada. The product is offered through a network of distributors that will focus on the thousands of Family Entertainment Centers throughout North America.

YDreams Global – www.ydreamsglobal.com – has developed over 1,300 interactive experiences for clients all over the world such as Disney, NBA, Adidas, Cisco, Nokia, Nike, Mercedes-Benz, Coca-Cola, Santander, AmBev, Qualcomm, Unilever, City of Rio and Fiat.

Game On Festival – www.gameonfestival.com – is a new event under development by the Company that combines eSports Tournaments with a large Interactive Exhibition about the videogame industry and its history.

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Disclaimer

Although the project represents a growing trend and focus on creative VR projects for the Company, revenues and other financial metrics at this moment from the project are not material to the Company and are generally consistent with other recent completed projects and those in the Company’s current pipeline.

This communication contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding our current and future plans and objectives, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations as well as a list of risk factors that we deem relevant are disclosed in the documents we file from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on our current assumptions, estimates and opinions and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. We do not undertake any obligation to update forward-looking statements should our assumptions, estimates or opinions change, other than as required by law and readers are advised not to place undue reliance on forward-looking statements.

Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as, “forward-looking statements”. Forward-looking statements may be identified by words including “anticipates”, “believes”, “intends”, “estimates”, “expects” and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company’s future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.