

23 June 2020

Emerge Gaming and MTN to launch MTN Arena

Highlights:

- **Emerge signs agreement with MTN to distribute and market Emerge's mobile competition and tournament platform technology**
- **The platform under this agreement is exclusively branded "MTN Arena"**
- **Emerge will receive a proportion of net revenue generated by the MTN Arena platform**
- **MTN Arena will be distributed through MTN's digital channels**
- **A significant investment will be made into marketing and prizes**
- **Integration into MTN's new advanced subscription billing and management systems completed**
- **End-to-end testing completed with the platform to go live during June 2020**
- **Emerge has sufficient funding for the launch of MTN Arena**

Emerge Gaming Limited (ASX: EM1) ("Emerge" or the "Company"), the operator of online eSports and casual gaming competition and tournament platform technology, is pleased to advise that it has signed an agreement with Mobile Telephone Networks Proprietary Limited (Pty) Ltd ("**MTN**") to distribute, market and operate Emerge's platform technology under the brand "**MTN Arena**", in South Africa.

MTN Arena

MTN Arena is a competition and tournament platform with a social element, which allows casual gamers to enter competitions, win prizes and earn raffles tickets whilst engaging in their favourite casual games. The platform provides an 'entertainment' factor with content that encourages re-engagement and longer lifetime values of subscribing gamers.

MTN Arena is differentiated from typical subscription-based casual gaming content offerings with competitions on premium app and premium HTML5 games that require no download and are easily streamed to mobile devices, an important attribute in emerging markets.

The sign-up process is a one-click activation making the subscription journey seamless for mobile gamers to access MTN Arena. Emerge has completed integration into MTN's advanced subscription billing and subscription management system. Emerge's technology offers MTN Arena dynamic image-rich landing pages allowing multiple marketing campaigns targeting multiple target markets in parallel. This feature facilitates scalable subscriber acquisition.

Central to the retention of mobile gamers, Emerge has designed and planned entertaining content calendars and campaigns for MTN Arena.

Tournaments include daily, weekly, weekend and monthly competitions with opportunities for gamers to enjoy mobile gaming whilst winning prizes and money. Grand prizes will encourage mobile gamers to engage for longer periods on the platform. This competition and prize content is the cornerstone of the marketing content.

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Emerge and MTN have collaborated to develop a corporate identity and digital platform user interface (“UI”) consistent with MTN’s products and other MTN branded gaming content.

MTN Arena will be discoverable on MTN Play, MTN’s traffic driven subscriber portal for the distribution of gaming, music and video content, and will further be marketed on all other MTN digital channels including to its social media following.

CEO, Gregory Stevens commented: “After two years of nurturing our relationship with MTN, product planning and product development we are now the exclusive MTN Mobile esports provider. We are delighted to have partnered with one of the world’s leading mobile operators and I am incredibly enthusiastic about MTN Arena and the future opportunities of Emerge. Leveraging MTN’s significant marketing support, we are fully funded to launch the product. We have worked extremely hard in developing a trendsetting eSports and gaming technology offering that leverages global Mobile eSports and gaming trends. COVID-19 has accelerated the interest in fresh and entertaining mobile gaming content with global lockdowns increasing mobile usage time and Emerge offers the ideal solution.”

About MTN

MTN is a South Africa-based multinational mobile network operator (“MNO”) listed on the Johannesburg Stock Exchange with a market capitalisation of ~A\$8.4 billion with ~19,000 employees. As a leading emerging market mobile operator, MTN serves 250 million+ subscribers in 22 countries across Africa and the Middle East, making it the 9th largest MNO globally and the largest MNO in Africa.

This agreement aligns with Emerge’s execution strategy with the footprint of MTN firmly in emerging markets. MTN has access to broad-scale distribution via mobile devices. MTN South Africa has 29 million subscribers.



Terms of agreement with MTN

The significant terms of the agreement with MTN are:

- Emerge to develop an iteration of the tournament and competition platform branded MTN Arena;
- Emerge will receive a proportion of net revenue generated by the MTN Arena platform;
- Net revenue is determined after agreed direct costs and taxes;
- MTN will market and distribute the platform through direct SMS (“Text”) marketing, promotional marketers, other advertisers and listing on the MTN customer portal;
- MTN has committed to invest into marketing support and prizes in the first 12 months of the agreement;
- The term of the agreement is two years; and
- Emerge will operate and monitor the platform, design and plan tournaments, adjudicate the tournaments, issue prizes and manage engagement with the platform subscribers.

Emerge has sufficient cash on hand to fund the launch of MTN Arena.

MOMO (MTN Mobile Money)

Prizes from the MTN Arena platform will be distributed via MoMo. MoMo is MTN's groundbreaking Mobile Money service that lets a mobile user store, send, and receive money using their mobile device.

MTN MoMo has an ever-growing range of features:

- Send and receive money to and from other MoMo customers
- Cash-in and cash-out at any MoMo agent
- Cash-out from ATM's
- Buy MTN airtime and bundles
- Pay for products and services from the many participating merchants and providers
- Buy prepaid electricity
- Pay satellite account
- Prepaid Visa cards
- Downloadable apps on Google Play and App Store



MTN has reported the progress of MoMo's expansion in its integrated financial report for the year ended 31 December 2019 where it states that:

- Active MoMo users increased by 7.5 million to 35 million
- MoMo usage rose to 9,200 transactions a minute, bringing total transaction value to US\$96.1 billion

MTN Arena Marketing and Distribution

MTN will market and distribute MTN Arena via direct SMS ("Text") marketing, promotional marketers, other advertisers and listing on the MTN customer portal.

MTN have engaged their existing digital product marketing specialists with the objective of generating acquiring paid subscribers to the MTN Arena platform. Minimum agreed spends on marketing support and prizes will be invested into acquiring subscribers in the first 12 months of MTN Arena going live.

Tournaments and competitions, both in type and nature, will continuously evolve through the focus of dedicated marketing teams.

Monetisation

Although the financial impact of the agreement is not determinable at this time with revenues subject to the success of the platform, it is anticipated to be material for the Company. Under this agreement, MTN will bill a daily subscription fee against mobile users accounts when they subscribe to MTN Arena. The value proposition is that subscribers will pay R3 per day (~A\$0.26c) to enter into competitions involving their favourite mobile social games, earn rewards and win prizes.

For further information:

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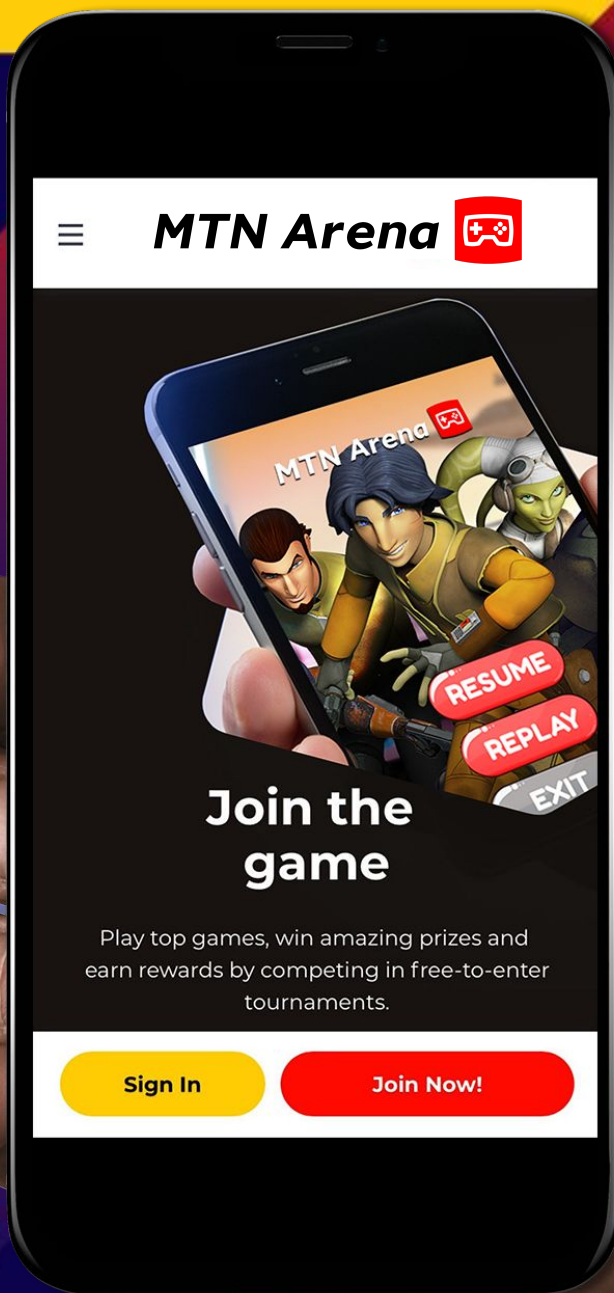
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EMERGE GAMING

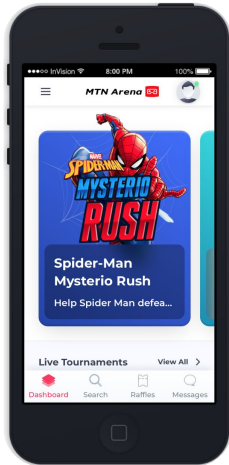


ANNOUNCEMENT

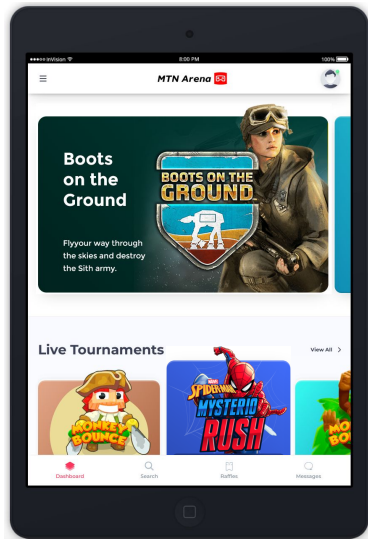


PLAY, COMPETE, **WIN!**

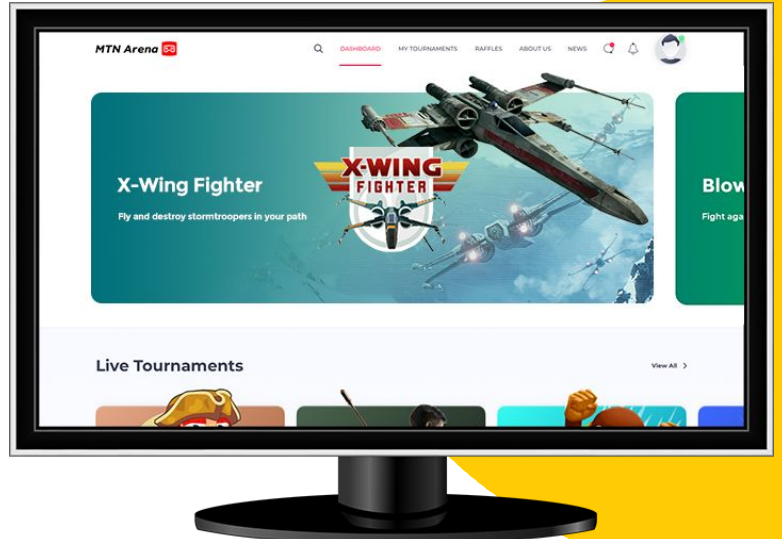
MTN Arena platform:



Mobile

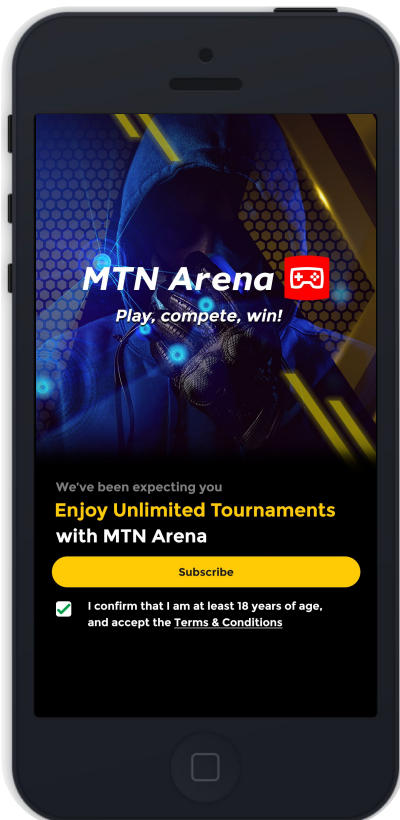


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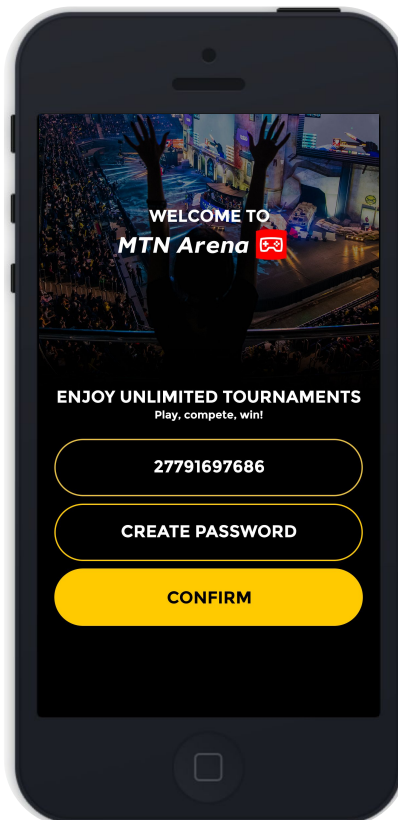


Desktop

MTN Arena Flows:



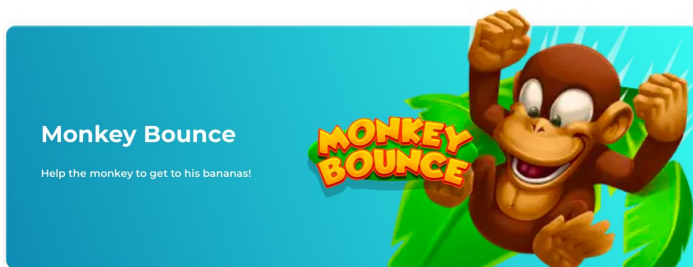
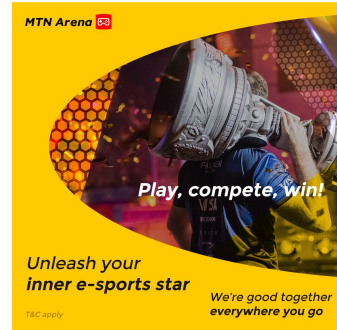
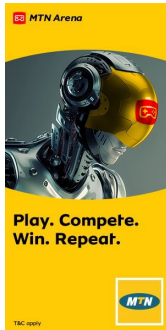
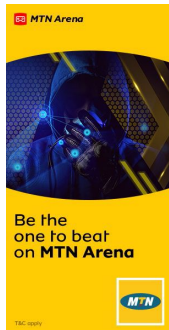
MTN Arena - landing page



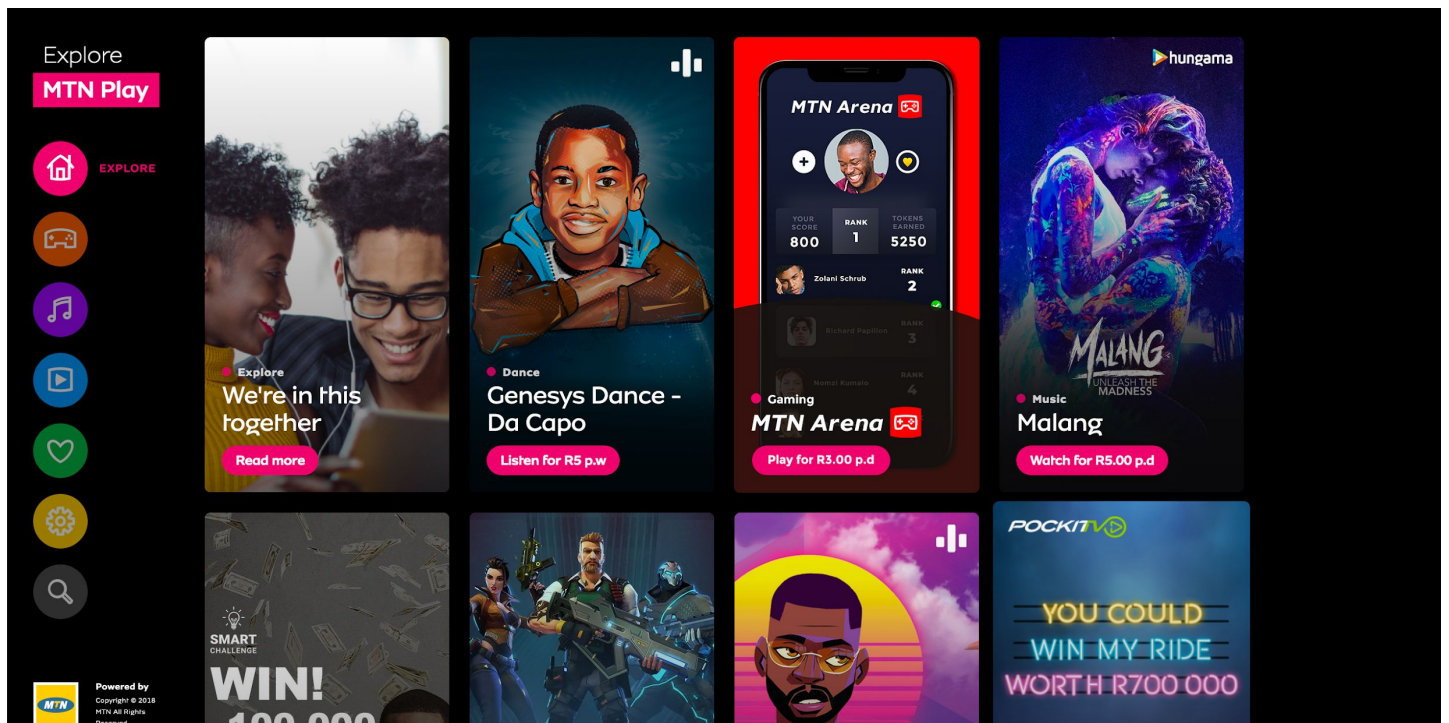
MTN - welcome page



MTN Arena campaign:



Discoverable on:



MTN Play

EMERGE GAMING

ASX:EM1 | ABN 31 004 766 376

About Emerge Gaming

Emerge Gaming Limited (ASX:EM1) is a leading eSports and casual gaming tournament company. Emerge Gaming has developed and operates the online eSports and casual gaming tournament platform technology and lifestyle hub. Via this platform, casual, social and hardcore gamers can play hundreds of gaming titles against each other via their mobile, console or PC, earning rewards and winning prizes.

The platform uses its unique IP, advanced analytics tracking and proprietary algorithms to deliver an optimum tournament gaming experience for users while providing advertisers with the perfect vehicle for delivery of their messaging to a fully engaged audience.

More information: www.emergegaming.com.au and view the ArcadeX platform technology at www.ArcadeX.co