

Bubble Gum Interactive Update June 2012

Highlights

- Little Space Heroes has passed 350,000 registrations.
- On weekends we see kids sign up every ten seconds with up to 1,500 concurrent users.
- Internationalisation launched last week, with Little Space Heroes website and menu-chat now available in 8 languages opening up more opportunities for our international audience. See more here
- Matchmove and Nickelodeon affiliate deals are launching in June and July which will drive additional traffic.

Market traction and growth

- Growth is accelerating thanks to focused advertising, increasing viral effects and publicity driven by fan blogs and game reviews.
- Conversions to premium members are ramping up with approximately 20 sales per day and growing rapidly.
- The Little Space Heroes website and in-game menu chat is now available in 8 languages (Italian, French, Dutch, German, Spanish, Portuguese, Indonesian and English) with additional languages launching in the coming months (Polish, Arabic, Japanese, Mandarin and Vietnamese)
- New 'velvet rope' features have been introduced and have made an immediate impact on converting players to paid members.
- New servers have improved game performance, particularly in Asian and North American markets.
- We are continuing work on the first Little Space Heroes mobile game (iOS and Android) for release in July/August.

Business Development and Distribution

- The Matchmove Games distribution partnership will be soft-launching in South-East Asia in late June ahead of global roll out in July.
- The Nickelodeon Addicting Games distribution partnership will be soft-launching worldwide in late July.
- Bubble Gum Interactive (BGI) continue research into mobile device and tablets and are scoping project to ensure device-agnostic capability.
- BGI are bringing on board new staff to help scale up for growth including a Game Server Systems Administrator, Online Marketing Executive, and Junior Producer. The moderation team capacity is also increasing.

Marketing and PR

- Little Space Heroes was featured in an article by Polygon regarding the challenges in developing games for kids. This article saw Little Space Heroes

featured alongside Skylanders and Sesame Street

- Phil Mason and Paul Gray (see photo at top) speaking at Game-Tech in Sydney this week, along with Activision, Disney Interactive and other leading entertainment companies.
- Paul spoke at the Vivid Sydney's Gaming Showcase at the Museum of Contemporary Art on May 28th.
- The internationalisation launch received significant coverage around the world on gaming and industry websites.
- BGI featured in this article "The Aim: Galactic Dominance" in the Sydney Morning Herald
- Look out for future coverage of Bubble Gum Interactive in the Wall Street Journal and KidScreen magazine in the coming weeks

Brand Licensing Development

- BGI are producing a 60 second animated trailer. This will be used to promote the Little Space Heroes brand franchise as part of preparations for discussions with TV production studios.
- BGI's global licensing program is now in development with the view to launch a limited selection of Little Space Heroes branded merchandise (toys, plush etc) at end of 2012.