



WONDERFILM

Wonderfilm Media to Acquire Starbury Media, Stake in Grapevine Influencer Platform and Film Slate for \$30,000,000

Vancouver, British Columbia, November 29, 2018 - The Wonderfilm Media Corporation (TSXV: WNDR.V), (OTC: WDRFF), (Frankfurt: 25Y), (**“Wonderfilm” or the “Company”**) is pleased to announce that on November 19, 2018 it has entered into a letter of intent to acquire 100% of Starbury Media (**“Starbury”**) from Sun Seven Stars Investments Group (**“SSSI”**), 34% of Grapevine Logic Inc. (**“Grapevine”**) and a slate of over twenty-five movie production script packages from WOL Productions Inc. (**“Production Packages”**) in an arm’s length transaction for CAD\$30,000,000 (**the “Transaction”**).

Starbury, the sporting brand and media company co-founded by Dr. Bruno Wu and Stephan Marbury, provides immediate access to a network of elite, high profile athletes and sports personalities who aim to capitalize on and transcend their sporting success by developing their personal brand through acting roles, branding services, merchandising and events.

Starbury’s Fighting Group, a fighting sports digital asset operation company and division of Starbury Media, will kickstart fighters and action stars by working together in media, led by its recently appointed Chairman and legendary Canadian & British boxing champion Lennox Lewis.

Grapevine, the world’s leading end-to-end social media influencer marketing platform, will leverage Wonderfilm’s original content and pursue monetization strategies with celebrity influencers by penetrating the loyalty management market exclusively for motion pictures, TV production and sports media. Grapevine now has the production outlet necessary to bring their 4,700 corporate brands into broader media channels, while Wonderfilm has direct advertising, marketing, analytics and alternative distribution channels for its own original content.

Additionally, a slate of over twenty-five movie and TV series (English and Chinese language) production script packages will be provided by WOL Productions Inc. (majority owned by SSSI), which includes the action thriller, *“Ana”*, starring Gong Li with Martin Campbell attached as the Director. Given that some of these assets are already fully packaged, Wonderfilm is able to immediately begin the pre-selling process.

Combining Starbury, Grapevine and the Production Packages with Wonderfilm’s worldwide film & television production strength, increases the Company’s vertical and horizontal integration into the wider entertainment industry. Wonderfilm’s new subscription video on demand (**“SVOD”**) digital channels will be among the first beneficiaries of the unified companies, immediately gaining top tier access to the sports market, significant social media coverage, corporate advertising, sponsorship revenues and exclusive Grapevine content.

“We are executing Wonderfilm’s strategy of becoming an entertainment and media innovator by combining social media, film & TV production, online applications and new branding sources to integrate viewers and

fans to their media through continuous online engagement and cross-pollination of media consumers through branded Apps, AI and cutting-edge interactive features that seamlessly blend online interaction with premier broadcasts on the digital channel, which includes the launch of Wonderfilm's new digital movie channel expected in 2019," stated Kirk Shaw, CEO of Wonderfilm.

Dr. Bruno Wu, co-chairman and CEO of SSSI remarked, "We believe that the combination of these platforms, which include our asset digitization and artificial intelligence teams, will differentiate us in the marketing and advertising business. Global sport is increasing in unison with the entertainment and media space, so it is natural for us to join these arms and create synergies that are extremely beneficial for all involved to provide a truly unique, scalable and superior offering to the market".

Acquisition Details

Pursuant to the Transaction, 30,000,000 common shares at CAD\$1.00 per common share for total deemed consideration of CAD\$30,000,000 will be issued to the Vendors subject to the Tier 2 value escrow requirements of the TSXV. As a condition of the Transaction, a non-brokered Unit private placement will be completed with the Units price to be determined in the context of market. The Unit will consist of 1 common share and 1 share purchase warrant at a 25% price premium to the Unit price and will expire 24 months after the close of the Transaction for total proceeds of CAD\$2,000,000 (the "Private Placement").

The Vendors of Starbury Media will retain a royalty of 50% of the audited EBITDA derived directly from Starbury Media. Wonderfilm has the option to acquire the Vendor's 50% EBITDA royalty, subject to Wonderfilm having CAD\$30,000,000 in cumulative audited EBITDA by December 31, 2021 prior to netting the Vendor's 50% royalty. The acquisition price of the 50% EBITDA royalty has not yet been determined but will be negotiated at the time of exercise. The Company intends to satisfy payment of the acquisition price through the issuance of Wonderfilm common shares in the context of the Market Price at the time of exercise (as defined within TSXV Policies). Furthermore, the company will need to satisfy TSXV requirements regarding transactions involving Non-Arms Length Parties, including appropriate evidence of value and/or disinterested shareholder approval. The option, if not exercised, shall expire on June 30, 2022. The Company intends to receive majority support from disinterested shareholders of more than 51% of the Company's outstanding shares in the form of written consent to the proposed Transaction. The majority disinterested shareholder support is intended to satisfy the TSX Venture Exchange (the "TSXV") condition that the Company obtain disinterested shareholder approval to the Transaction due to the creation of a new Control Person(s) as defined by the policies of the TSXV. To the best knowledge of the Company's management, no shareholders have been identified that would be excluded from voting.

Under the terms of the Transaction, and subject to regulatory approval - Stephan Marbury will be named Chairman of the Board of Directors and Kirk Shaw will continue as CEO of Wonderfilm. Stephan Marbury will also be the CEO, Sports Media Division. The Board of Directors will consist of Stephan Marbury, Kirk Shaw, Avis Zhu, Norman Tsui, Dennis Nerland and one new director to be named at a future date.

Completion of the Transaction is subject to a number of conditions. Such conditions include the execution of a definitive agreement; completion of mutually satisfactory due diligence; completion of the Private Placement; completion of the renaming of the Company to be mutually determined; majority consent approvals of the shareholders and Board of Directors of Wonderfilm, Grapevine, Sun Seven Stars Investment Group and WOL Productions Inc.; and receipt of all required regulatory, corporate and third party approvals and fulfilment of all applicable regulatory requirements and conditions necessary to complete the Transaction, including approvals by the TSXV as the proposed transaction may be a "Reviewable Transaction" under Policy 5.3 "Acquisitions and Dispositions on Non-Cash Assets" of the TSXV. As a result of such conditions, there can be no assurance that the Transaction will be completed as proposed or at all. No finder's fee will be paid on the Transaction.

Dr. Bruno Wu and Sun Seven Stars Investments Group

Dr. Wu is the Vice Chairman of the National Committee for China-US Relations that is intended as a channel for conflict resolution. Dr. Wu is the former Chairman and co-CEO of Ideanomics, Inc. (NASDAQ: IDEX), the leading global next-generation artificial intelligence and blockchain-powered financial technology company that offers supply chain and digital finance solutions for the energy and commodities industries. Dr. Wu remains a Special Advisor to Ideanomics' board of directors. Additionally, since 2007, Dr. Wu has been the founder, co-chairman and CEO of Sun Seven Stars Media Group Limited, one of the biggest private media and investment conglomerates in China. Its predecessor is Sun Media Group Holdings Limited, which was established by Bruno Wu and Yang Lan in 1999 and became one of the leading entertainment, media and investment companies in Asia after 10 years of growth with a presence in over ten major cities in the world including: Beijing, Shanghai, Tianjin, Hong Kong, New York, LA, Paris, London, Vancouver, Toronto, Seoul and Scandinavian countries. Dr. Wu served as Chairman of Sun Media Group from 1999 to 2007 and was former director of Shanda Group, a private investment group, from 2006 to 2009. Dr. Wu was co-chairman of Sina Corporation (NASDAQ: SINA), a Chinese media and Internet services company, from 2001 to 2002. Additionally, Dr. Wu served as the chief operating officer for ATV, a free-to-air television broadcaster in Hong Kong, from 1998 to 1999. Dr. Wu served as a director of Semir Garment Co. Ltd (SHE:00256) between 2008 and 2012. Dr. Wu received a Ph.D. from the School of International Relations and Public Affairs at Fudan University in 2001 and prior to that received an M.A. in International Relations from Washington University, a B.A. in Business Management from Culver-Stockton College of Missouri and a diploma in Superior Studies in French Literature from the School of French Language and Literature at the University of Savoie in Chambéry, France.

Stephan Marbury

Stephan Marbury played in the NBA for 12 seasons, averaging 19.3 points, 7.6 rebounds and 3.0 assists per game for the Minnesota Timberwolves, New Jersey Nets, Phoenix Suns, New York Knicks and Boston Celtics. The 6-foot-2 guard departed to China in 2010 to play professionally in the CBA and eventually lead the Beijing Ducks to their first three championships. The six-time CBA All-Star became a star not only in Beijing but throughout China, as he was awarded with a statue and museum, had a play, movie and stamp made in his honor, and also became the first professional foreign athlete to be permitted a green card.

Avis Zhu

Ms. Avis Zhu has close to 20 years of successful experience in media, public relations and brand management. She served as the Vice President of Sun Media Group Holdings Limited responsible for brand PR and publication before joining Sun Seven Stars Entertainment & Media Group Ltd. She was once the editor-in-chief of the Chinese version of Madame Figaro, a female magazine with top circulation in France, and the editor-in-chief of the Chinese version of Figaro Girl. Before that she worked as a chief editor for iLOOK Metropolis. Ms. ZHU is an active thinker. She loves innovation, and is accustomed to working in a cross-cultural environment.

About The Wonderfilm Media Corporation

Wonderfilm is a leading publicly traded (TSX Venture Exchange: WNDR) entertainment company with production offices in Los Angeles, corporate offices in Vancouver BC and its Asian distribution office in Seoul, South Korea. The Company's core business is producing market-driven independent feature films and quality television series for multi-platform global exploitation. Current productions include the feature films, Moose (staring John Travolta) and Primal (starring Nicolas Cage.) The Company's guiding philosophy is bringing new financing solutions to an entertainment industry increasingly looking for funding and co-production alternatives. Wonderfilm is a producer and distributor only for the projects disclosed. The legal

ownership of movie productions are held in a special purpose legal entity held at arm's length to the Company to facilitate for the qualification of various levels of domestic and foreign government tax credit incentives that are customary in the film and production business.

About Grapevine

Grapevine is the world's leading end-to-end influencer marketing platform that enables collaboration between advertisers and social media content creators to produce promotional content at scale. The Grapevine network includes more than 177,000 creators who generate more than 6 billion monthly views. Advertisers leverage Grapevine's workflow management software and proprietary tracking and analytics to measure direct response and conversion rates from promotional content on YouTube, Facebook, and Instagram. Learn more at <https://www.grapevinelogic.com/>

About Starbury Media

Starbury is a media and sports celebrity technology platform powered by artificial intelligence that is involved with athletic products, sports media content (Professional fighting, e-Sports, Soccer, Extreme sports, etc.) and branding services.

Cautionary Statements

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

The securities to be issued in connection with the Transaction have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in Regulation S promulgated under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

This press release contains forward-looking statements that are subject to substantial risks, uncertainties and assumptions. All statements other than statements of historical fact contained in this press release are forward-looking statements. These statements often include words such as "believe," "expect," "target," "anticipate," "forecast," "intend," "plan," "projects," "seek," "will," "may", "indicate" or similar expressions. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Wonderfilm's control and Wonderfilm's actual results could well differ materially from those stated or implied in forward-looking statements due to several factors.

Although Wonderfilm believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that the events and circumstances reflected in the forward-looking statements will be achieved or occur. The timing of events and circumstances and actual results could differ materially from those projected in the forward-looking statements. Accordingly, one should not place undue reliance on forward-looking statements. All such reflect the date made only. Wonderfilm undertakes no obligation to update or publicly revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For further details, please see the Company's documents filed on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Further Information

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