ASX Release

Jaxsta pre-launch of Vinyl.com

Sydney, Australia, 21 November 2022: Jaxsta Limited ACN 106 513 580 (**Jaxsta** or the **Company**, ASX: JXT) the world's largest dedicated database of official music credits, is pleased to announce the pre- launch of vinyl.com

Highlights

- Exclusive license agreement executed between Songtradr and Jaxsta for the use of Vinyl.com with a purchase option;
- Global Vinyl Distribution agreement signed with largest US Vinyl distributor Alliance LLC;
- Partnership with Icon Technology to develop product - Minimum Vinyl Product (MVP) to launch Q1 2023;
- Vinyl.com holding page inviting the music community to participate live today.

In April this year as part of Jaxsta's announced transformation plan the company committed to an expansion of the Jaxsta platform to include music related consumer products (B2C).

Over the last 6 months the Board and the Jaxsta team have been focused on how to realise the true value of the Jaxsta technology, data and music industry relationships.

In the September 4C Beth Appleton, Jaxsta's CEO shared that Jaxsta is building 'An unprecedented retail experience for an invested and innovative community of collectors of music art'. Today sees the announcement of the elements already in place for the accelerated launch of this e-commerce and community platform.

Jaxsta has set a goal to make Vinyl.com the iconic music consumer destination and today this site launches as part of a marketing campaign to onboard the community of creators and music fans.

The resurgence in vinyl sales continued for the 15th consecutive year in 2021 with revenues up 61% to US$1.0 billion.[1] The forecast for 2027 is US$2.6billion.[2]

Vinyl.com will be a unique music e-commerce experience and destination as it will be powered by Jaxsta's leading data creating an industry first music discovery, community and retail experience. Vinyl.com will power music product discovery (e.g.

[1] https://www.riaa.com/wp-content/uploads/2022/03/2021-Year-End-Music-Industry-Revenue-Report.pdf
[2] https://www.marketresearch.com/IMARC-v3797/Vinyl-Record-Global-Trends-Share-31551972/

Vinyl) with creators, contributors and curators all being credited, recognised and rewarded.

US based product and technology company Icontech, responsible for developing music technology experiences for many of the world's leading music brands is building the MVP launching in Q1 2023. Garrick Brown, President of Icon says 'Our team is truly excited to be developing the Vinyl.com experience. We believe this product will be a game-changer. Fans and consumers are looking for deeper connectivity which is manifesting in part through building their personal collections, whether growing their vinyl collection or digital collectibles such as NFTs."

The exclusive non-transferable licensing agreement with Songtradr is a two year licensing agreement (Initial Term), with an optional one year team at the end of the Initial term, exercisable by Jaxsta no fewer than 60 days prior to the end of the initial term. The agreement grants exclusive use of the Licensed assets owned or applied by Songtradr, including the Vinyl.com domain name and Vinyl trademarks. The agreement has a license fee as follows:

- First year commencing on 1 March 2023, the greater of $10,000 USD or 7.5% of Net Revenues derived from all sites associated with the domain name and trademarks, with the license fee due in full 10 business days after the end of the first year period;
- Second year commencing on 1 March 2024, the greater of $30,000 USD or 7.5% of Net Revenues derived from all sites associated with the domain name and trademarks, with the license fee due in monthly installments 10 business days after the end of each monthly period;
- For the optional third year commencing on 1 March 2025, the greater of $60,000 USD or 7.5% of Net Revenues derived from all sites associated with the domain name and trademarks, with the license fee due in monthly installments 10 business days after the end of each monthly period

For the purpose of the agreement, Net Revenues are defined as the net sales price after discount minus the cost of units sold, and less distribution fees, returns and breakage.

The agreement also includes an option to purchase the Licensed Assets at the following terms:

- During the first year of the term, $1,000,000 USD;
- Thereafter the price is $1,000,000 USD, plus 5% of Net Revenue derived from all sites associated with the domain name and trademark during the Term of the Agreement.

The agreement can be terminated by either party in the event of an incurable breach, ceasement of payments or insolvency.

Jaxsta has executed an agreement with the largest US vinyl distributor, Alliance Entertainment who will be enabling global distribution and fulfillment of Vinyl sales. The agreement provides the purchase and distribution of a catalogue of Vinyl at wholesale prices with global distribution and logistics included. The agreement covers global distribution with Alliance as the primary distributor for the US and Canada markets. Integration work with Alliance Entertainment has now commenced.

Beth Appleton, Jaxsta CEO highlighted: "We have been committed to build a compelling consumer offering that is powered by Jaxsta's definitive credit database that significantly increases Jaxsta's total addressable market. We are a focused team and have engaged best in class partners to ensure we get to market efficiently with a stand out value proposition. Given the thorough market and product research we have conducted,, our unique value proposition and the industry tailwinds supporting Vinyl sales and other new music consumer products, we are very confident that vinyl.com will produce transformational revenues for Jaxsta in a short space of time."

- Ends -

For further information please contact:

Authorisation & Additional Information:
This announcement was authorised by the Board of Directors of Jaxsta Limited

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ABOUT JAXSTA

Jaxsta is the world's only official music credits database. It contains more than 290 million official, deep-linked music credits across 79 million pages, sourced from over 336 data partners, including record labels, publishers and industry associations. Jaxsta's data is mapped to the world's charts and can provide world-first insights including custom repertoire reports to ensure industry organizations can map music ownership and revenue. Jaxsta is a key solution to the music industry's metadata problem.