Contagious Gaming Announces Conditional Approval of Reverse Takeover, Share Consolidation and Increase of Concurrent Financings to $6.0 Million

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Kingsman Resources Inc. (TSX VENTURE:KSM) (the "Company" or "Contagious Gaming") (to be renamed Contagious Gaming Inc. prior to the closing of the Acquisition and Financing), is pleased to announce that it has:

1. Received shareholder approval;

2. Received conditional approval from the TSX Venture Exchange (the "TSX-V") for the Acquisitions;

3. Increased its oversubscribed financing to $6,000,000 from a minimum of $3,000,000 and a maximum of $5,000,000; and,

4. Set a closing date of on or around September 16, 2014 for the Acquisitions and Financing.

"We are proud to have received conditional approval from the TSX-V and in addition, increase the oversubscribed financing to $6,000,000. We want to acknowledge the tremendous effort by all involved to make it possible," Peter Glancy, Chief Executive Officer of the Company, stated. "The listing on the TSX-V and the additional financing will ensure that the Company has the resources required to execute its business plan and position Contagious Gaming as a rapidly emerging leader in providing solutions for lotteries and regulated gaming operators around the world."

Since entering into the definitive agreements, the Company, Contagious Sports and Telos have begun to work together to provide unique and innovative gaming and lottery solutions and have achieved significant milestones including: 1) the preliminary launch of GoalTime (Contagious Sports' lottery-style sports betting platform) in the United Kingdom ("UK"), operated under its UK Gambling Commission license; and 2) advancements of Telos' content for the Unites States online lottery market.

Acquisition Update

Further to its press release of February 4, 2014, it has received: 1) shareholder approval; and 2) conditional approval from the TSX-V for the acquisitions (the "Acquisitions") of all of the issued and outstanding shares of Contagious Sports Ltd.("Contagious Sports") and Telos Entertainment Inc. ("Telos"). The Acquisitions will constitute a reverse takeover under the rules and policies of the TSX-V.

Details of the Acquisitions can be found in the management information circular dated June 27, 2014 (the "Information Circular"), which is available under the Company's SEDAR profile at www.sedar.com. The shareholders of the Company approved the Acquisitions by way of ordinary resolution at the shareholder meeting held on August 1, 2014.

On August 27, 2014, the Company received a conditional approval letter for the Acquisitions from the TSX-V. The conditional approval is subject to a number of conditions, which are required to be satisfied prior to the completion of the Acquisitions, including, completion of a concurrent minimum financing as detailed below.

The Acquisitions and concurrent financing are expected to close on or after September 16, 2014 (the "Closing Date"). Prior to the Closing Date, the Company intends to consolidate its issued and outstanding common shares on the basis of one (1) new common share for every two (2) existing common shares (the "Consolidation") and change the name of the Company to "Contagious Gaming Inc." The board of directors of the Company has approved the Consolidation and name change, however, both remain subject to TSX-V acceptance.

Financing Update

As described in the Information Circular, the Company intended to complete a concurrent equity financing for aggregate gross proceeds of a minimum of $3,000,000 and a maximum of $5,000,000. Given the strong demand, resulting in an oversubscribed offering, the Company has increased the financing amount to up to $6,000,000. The offering will be completed through; 1) a brokered private placement financing (a portion of which will be via Offering Memorandum) of common shares (the "Brokered Financing"); and 2) a non-brokered private placement financing of common shares (the "Non-Brokered Financing" and together with the Brokered Financing, the "Financing").

The Company has engaged Global Securities Corporation and Haywood Securities Inc., (together, the "Agents") to act as agents on a commercially reasonable efforts basis in connection with the Brokered Financing. The Agents will receive a cash commission (the "Agent's Commission") equal to 7% of the gross proceeds raised, and compensation options (the "Agent's Options") entitling the agents to purchase common shares (the "Agent's Shares") equal to 7% of the number of common shares sold in the Brokered Financing. The Agent's Options will be exercisable at a post-Consolidation share price of $0.40 per Agent's Share for a period of 24 months from the Closing Date. In addition, the Company will granted the Agents an option to purchase up to an additional 15% of the offered common shares under the Brokered Financing (the "Over-Allotment Option"), exercisable for a period of up to 30 days after the Closing Date (the "Over-Allotment Option").

Proceeds from the Financing will be used for launching the GoalTime offering, expanding the Company's game portfolio, and general working capital.

The following table discloses the revised net proceeds of the Financing, after deduction of the costs associated with the Financing:

	Financing
A. Amount to be raised by this Financing	$ 6,000,000
B. Selling commissions and fees(1)	$ 450,000
C. Estimated Offering costs (e.g. legal, accounting, audit)	$ 75,000
D. Net proceeds: D = A - (B+C)	$ 5,475,000
E. Additional sources of funding required	$ 0
F. Working Capital (Deficiency)(2)(3)(4)	$ (1,336,000)
G. Total available funds: G = (D+E) + F	$ 4,139,000

1. Assumes payment of the Agents' cash commissions of 7% of the gross proceeds of the Financing and Global's $30,000 cash work fee.

2. Consists of working capital deficiency for Kingsman of $33,000, Contagious of $450,000 and Telos of $853,000 as at July 31, 2014 for combined working capital of ($1,336,000).

3. The Company expects to pay the following amounts to related parties from the funds raised from the Financing: (i) $50,000 for accounting and consulting services to ArkOrion Enterprises Inc., a company controlled by Adam Kniec, CFO of the Resulting Issuer, (ii) $60,000 to Sean Yeomans, the CEO of Telos and the proposed President and director of the Resulting Issuer, for unpaid salaries, and (iii) approximately $256,000 for legal fees to McMillan LLP, in which Desmond Balakrishnan, a proposed director of the Resulting Issuer, is a partner.

4. Includes Telos existing loans with a carrying value of $756,000 as of July 31, 2014 which are expected to be repaid by the Company upon Completion of the Acquisitions and Financing.

The following table provides a detailed breakdown of how the Resulting Issuer will use the net proceeds of the Financing:

Description of Intended Use of Available Funds Listed in Order of Priority	Offerin
Remaining legal, audit and other expenses related to the Acquisition (1)	$ 169,00
General and Administrative Expenses(2)	$ 1,360,00
Unallocated Working Capital	$ 2,610,00
TOTAL (Equal to G in the Funds table above):	$ 4,139,00

1. The Financing is being undertaken concurrently with the Acquisitions to raise funds to cover the Company's working capital deficiency and for developing the businesses of Telos and Contagious. This amount represents the remaining legal, audit and other expenses that are expected to be incurred in connection with the Completion of the Transactions.

2. General and administrative expenses for the 12 months following the Closing of the Acquisitions are expected to include: (i) costs associated with the operation of Contagious of $785,000; (ii) costs associated with the operation of Telos of $537,000; and (iii) management salaries, corporate expense and public company costs of $1,073,000, less Telos' estimated net project revenue of $631,000 and Telos' expected tax refunds of $404,000.

Assuming Completion of the Acquisitions and the Financing, the share capital of the Company is expected to consist of the following:

	Amount Authorized (Pre-Consolidation)	Number outstanding (Pre-Consolidation)	Amount Outstandi After Offering Pre-Consolidation	Consolid
Designation of Security	Financing		Financing	Fina
Common Shares(1)(2)	Unlimited	27,082,938	141,300,474	70,65
Options(3)	14,130,047	525,000	9,000,000	4,50
Warrants(4)(5)	n/a	3,075,00	5,175,000	2,58
Convertible Debentures(6)	n/a	n/a	$300,000 600,000 shares	$30 300,000 s

1. Concurrently with the closing of the Acquisitions, the Company will undertake the Financing.

2. Does not include exercise of the Over-Allotment Option. The exercise of the over-allotment option in full would result in (i) the issuance of an additional 4,500,000 of the Company's shares on a pre-Consolidation basis (2,250,000 on a post- Consolidation basis. Includes 1,925,000 warrants that were exercised on August 20, 2014.

3. Includes (i) 8,475,000 Options on a pre-Consolidation basis (4,237,500 on a post-Consolidation basis) that are expected to be issued in connection with the Completion of the Acquisition and Financing, each of which will be exercisable into one the Company's Share on a pre-Consolidation basis at $0.20 per share ($0.40 on a post-Consolidation basis) for 5 years from the date of issue, (ii) 25,000 Options on a pre-Consolidation basis (12,500 on a post-Consolidation basis) that are currently outstanding, each of which is exercisable into one Resulting Issuer Shares at $0.06 per share on a pre-Consolidation basis ($0.12 on a post-Consolidation basis) until August 10, 2015, and (iii) 500,000 Options on a pre-Consolidation basis (250,000 on a post-Consolidation basis) that are currently outstanding, each of which is exercisable into one the Company's Shares at $0.06 per share ($0.12 on a post-Consolidation basis) until September 17, 2018.

4. Includes 3,075,000 the Company's Warrants on a pre-Consolidation basis (1,537,500 on a post-Consolidation basis), each of which is exercisable into one the Company's Share at $0.10 per share ($0.20 on a post-Consolidation basis) until August 20, 2018.

5. Includes up to 2,100,000 Agent's warrants on a pre-Consolidation basis (1,050,000 on a post-Consolidation basis) that are expected to be issued (excluding any Agent's Warrants that may be issued in connection with the exercise of the Over-Allotment Option), each of which will be exercisable into one Resulting Issuer Share at $0.20 per share ($0.40 on a post-Consolidation basis) for two years from the date of issuance.

6. Pursuant to the Telos Debt Settlement Agreement, the Company has agreed to assume $300,000 of fixed debt which will be convertible into the Company's Shares at any time until maturity at a conversion price of $0.50 per share on a pre-Consolidation basis ($1.00 on a post-Consolidation basis).

7. It is expected that the Company will complete the Consolidation in connection with Completion of the Acquisitions and Financings.

The Company was incorporated under the Business Corporations Act (British Columbia) and is publicly traded on the TSX-V. The Company was formerly engaged in the acquisition, exploration and development of natural resource properties and has ceased all resource exploration activity.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities 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, accordingly, may not be offered or sold within the United States, or to or for the *account or benefit of persons in the United States or "U.S. Persons", as such term is 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 pursuant to an exemption from such registration requirements.*

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

Certain information in this news release is considered forward-looking within the meaning of certain securities laws and is subject to important risks, uncertainties and assumptions. This forward‐looking information includes, among other things, information with respect to the Company's beliefs, plans, expectations, anticipations, estimates and intentions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward‐looking information. The forward-looking information in this news release describes the Company's expectations as of the date of this news release.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Material factors which could cause actual results or events to differ materially from such forward-looking information include, among others, risks arising from general economic conditions and adverse industry events.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD‐LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME.

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