

FOR IMMEDIATE RELEASE 22 May 2018

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NOVEL EFFECT, THE VOICE INTERACTIVE APP THAT BRINGS STORIES TO LIFE, WINS WEBBY, RAISES \$3 MILLION IN SERIES A FUNDING

Led by Alpha Edison, TenOneTen Ventures, Waverley Capital

SEATTLE, WA — Novel Effect, the voice interactive app featured on Shark Tank, follows its win for Best Integrated Mobile Experience at the 22nd Annual Webby Awards by closing a \$3 million Series A investment round co-led by Alpha Edison, TenOneTen Ventures, and Waverley Capital.

Founded in 2015 by husband and wife team Matt and Melissa Hammersley, Novel Effect was one of nine companies to participate in Amazon's inaugural Alexa Accelerator powered by TechStars in 2017. Amazon Alexa Fund also joined the Series A round with additional investors Lux Capital, Maveron, and McCune Capital.

"We were really impressed by Matt and the entire Novel Effect team during last year's Alexa Accelerator, and this round of funding represents another big milestone for the company," said Paul Bernard, Director of the Alexa Fund. "Their platform is a great example of how voice technology can augment and improve offline experiences, and we think customers are going to love using it."

The app, which was inspired by a friend's picture book reading during the Hammersley's baby shower, uses natural language processing and AI to synchronize ambient music, sound effects, and voice overs as text is read aloud. Currently available on iTunes, the app has 150+ soundscapes in its library with more on the way. It will roll out to the Android market in Q3, and an Alexa skill is also on the roadmap.

"When Daniel and I started Waverley, we were looking for companies that bridge the space between Silicon Valley and traditional media," said Edgar Bronfman Jr. Co-Founder and General Partner at Waverley Capital. "While Novel Effect's platform is currently focused on children's picture books, their awareness of and commitment to voice-first technology promises to be a game-changer across all categories of entertainment – books, movies, television, game play and more."

The Series A financing will be used to fund audience growth for Novel Effect's current app as well as the continued expansion of its proprietary technology into new product categories and platforms. Daniel Leff, Co-Founder and Managing Partner at Waverley Capital; Nick Grouf, Managing Partner at Alpha Edison; and Bill Carr, former Vice President of Digital Media at Amazon will join the Hammersleys on Novel Effect's Board of Directors.

"We are excited to have such strong investors on board that provide us not only capital but vast strategic experience," said Matthew Hammersley, who also serves as Novel Effect's CEO. "Waverley, Alpha Edison and TenOneTen will be pivotal to our

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audience and platform growth goals. We can't wait to work with them to bring experiences of all shapes and sizes to life!"

ABOUT NOVEL EFFECT

Novel Effect is voice interactive entertainment platform that brings all kinds of stories to life. Their proprietary technology uses voice recognition to sync ambient music, sound effects, character voices, and more with a storyteller's voice. Novel Effect is the 2018 Webby Awards winner for Best Integrated Mobile Experience for their unique integration of a handheld mobile device and print media. For more information, visit: www.noveleffect.com

ABOUT OUR INVESTORS

ALPHA EDISON

Alpha Edison is a venture capital firm that partners with courageous entrepreneurs to build industry-changing technology platforms. We share our research and expertise in business model innovation to help founders unlock new markets and scale businesses that change our world—for the better. Alpha Edison is based in Los Angeles. For more information, please visit www.alphaedison.com.

"We invest in businesses that unlock new markets and Novel Effect's platform enables a whole new layer of IP and experiences for consumers while also building tools and analytics for creators to better serve their customers. We look forward to partnering with Matt, Melissa, and the team to continue to expand and be a leader in voice-first experiences." – Nick Grouf, Managing Partner.

TENONETEN

TenOneTen Ventures is a Los Angeles-based venture firm that invests in start-ups that apply data and technology to disrupt existing industries. For more information, please visit tenonetten.net.

WAVERLEY CAPITAL

Waverley Capital, with offices in Palo Alto and New York City, is a venture capital firm co-founded by Edgar Bronfman, Jr. and Daniel Leff that focuses on investing in innovative and disruptive companies in the media sector. We partner with exceptional entrepreneurs to we help them build category-defining companies.

LUX CAPITAL

Lux Capital is a venture firm based in New York City and Silicon Valley investing in counter-conventional, seed and early stage science and technology ventures. Lux manages \$1.4 billion in assets across multiple funds. For more information please visit www.luxcapital.com or follow us on Twitter @Lux_Capital.

"Reading a good book can be an immersive, transformative experience. With the addition of this new technology, reading becomes an even richer experience for children

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and adults alike. Storytelling will never be the same." – Renata Quintini, Partner at Lux Capital.

MAVERON

Maveron is a consumer-only venture capital firm funding the brand upstarts, the disruptors, the slayers of the consumer old guard. We target companies at their early stage – seed or Series A – and are obsessed with helping extraordinary founders build enduring consumer companies that directly engage, empower and enchant customers. We invest in brands that help people live, work, spend, save, find joy, stay healthy, and everywhere in between. We've had the distinct pleasure to back some incredible companies – Zulily, Allbirds, Trupanion, General Assembly, eBay, August Home, Imperfect Produce, and many more.

The Maveron team lives in San Francisco and Seattle. We invest everywhere in the U.S. We believe that diversity is an asset and are committed to having a team that comes from all walks of life. Learn more about Maveron at www.maveron.com.

"Matt has impressed us with his product obsession and ability to engage brands in his quest to use voice to more intimately engage kids in stories." – Jason Stoffer, General Partner at Maveron

MCCUNE CAPITAL

McCune Capital is a New York-based venture capital firm, founded by Jason Cahill. Focused on seed-stage ventures disrupting transportation, energy, agriculture, and manufacturing, McCune's portfolio currently has ten active investments. The fund's hands-on approach, asymmetric sourcing methods, and diverse background of advisors has allowed McCune to establish themselves as a key partner in the New York seed-stage arena. More can be found at mccune.vc.

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