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ATLAS BLOCKCHAIN CLOSES \$5.2MM FIRST TRANCHE OF FINANCING

VANCOUVER, BC, -- (GLOBE NEWSWIRE – January 14, 2019) -- Atlas Blockchain Group Inc. (CSE: AKE) (XFRA: A49) (OTCPINK: ATLEF) (the “**Company**” or “**Atlas**”) is pleased to announce, further to its news release on November 16, 2018, the close of approximately CAD\$5.2 million as the first tranche of its previously announced non-brokered offering of subscription receipts of the Company (the “**Subscription Receipts**”) at \$0.17 per Subscription Receipt (the “**Offering**”). Each Subscription Receipt entitles the holder to receive, upon satisfaction of certain escrow release conditions, and without payment of additional consideration, one unit in the capital of the Company (each, a “**Unit**”). Each Unit will be comprised of one common share of Atlas (each, a “**Atlas Share**”) (pre-consolidation basis) and one Atlas Share purchase warrant (each, a “**Warrant**”) (pre-consolidation basis). Each Warrant will entitle the holder thereof to acquire one Atlas Share at \$0.34 per Atlas Share for two years following the date of issuance.

The financing efforts are concurrent to a non-binding letter of intent to acquire all the issued and outstanding common shares of Isracann Biosciences Inc. in exchange for common shares of the Company. The acquisition of Isracann Biosciences Inc. is an arm’s length transaction and is expected to constitute a fundamental change under the policies of the Canadian Securities Exchange (the “**CSE**”).

Isracann is operationally located in Israel and aims to embark on an industrial-scale cannabis farming enterprise targeting both domestic and international commercial opportunities. The venture holds rights to prime agricultural land with preexisting production permits equivalent to Canadian ACMPR cultivation licensing, where it anticipates building 230,000 square feet of cultivation area. Israel has been a leader in cannabis research for over 50 years and further enjoys extremely favorable climatic conditions, both of which strategically factor into premium product development opportunities. Proximally located to Europe’s undersupplied markets ideally situates Isracann with potential access to a consumer base, which based on population alone, is larger than the size of the USA and Canada combined.

Darryl Jones, President of Isracann says, “This financing is a significant milestone for the Company as it fully funds Isracann’s proposed Phase I facility of 230,000 square feet of cultivation area. In addition, the Israeli parliament has now passed a bill to allow exports from Israel, completing a critical step in opening up the country to international opportunities.”

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities laws.

The Company has paid eligible finders a cash commission in the aggregate of approximately \$221,394 on the Offering within the amount permitted by the policies of the Canadian Securities Exchange (the “**CSE**”). In addition, 1,302,321 non-transferable broker’s warrants were issued to eligible finders to purchase an aggregate of 1,302,321 common shares of the Company. The aggregate net proceeds from the Offering will be used to complete the acquisition of Isracann Biosciences Inc. and to provide general working capital.

Certain insiders of the Company (within the meaning of the policies of the CSE have purchased Subscription Receipts under the Offering. The participation of the insiders in the Offering constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101–*Protection of Minority*

Security Holders in Special Transactions (“MI 61-101”). The Company is relying on exemptions from the formal valuation and minority securityholder approval requirements set out in sections 5.5(a) and 5.7(1)(a) of MI61-101 as the fair market value of the subject matter of the Offering does not exceed 25% of the market capitalization of the Company as calculated in accordance with MI 61-101.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. None of the securities to be issued pursuant to the Offering have been or will be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws, and any securities issued pursuant to the Offering are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and applicable exemptions under state securities laws. In addition, the securities to be issued pursuant to the Offering under an exemption from the registration requirements of the U.S. Securities Act will be “restricted securities” as defined under Rule 144(a)(3) of the U.S. Securities Act and will contain the appropriate restrictive legend as required under the U.S. Securities Act. Any public offering of securities of Atlas to be made in the United States must be made by means of a prospectus containing detailed information about Atlas and management, as well as financial statements.

About Isracann Biosciences Inc.

Isracann is an Israeli-based cannabis company focused on becoming a premier cannabis producer offering low-cost production targeting undersupplied, major European marketplaces. Based in Israel's agricultural sector, Isracann will leverage its development within the most experienced country in the world with respect to cannabis research. The company has secured agreements with three (3) licensed Israeli producers for medicinal marijuana cultivation. For more information visit: www.isracann.com.

ON BEHALF OF THE BOARD OF DIRECTORS

“Charlie Kiser”

Charlie Kiser
Chief Executive Officer

The CSE does not accept responsibility for the adequacy or accuracy of this release.

All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ, materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the Canadian Securities Exchange, the British Columbia Securities Commission, the Ontario Securities Commission, the Alberta Securities Commission, and the Alberta Securities Commission.

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