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NEWS RELEASE

CSE: BIGG

BIG Blockchain Intelligence Group Inc. ("BIG") Comments On Top Emerging Patterns In International Cryptocurrency Regulation Development And Offers Policy Recommendations

VANCOUVER, BC – May 15, 2018 – BIG Blockchain Intelligence Group Inc. ("BIG" or "the Company") (CSE: BIGG)(WKN: A2JSKG)(OTC: BBKCF), a leading developer of Blockchain technology search, risk-scoring and data analytics solutions, is pleased to comment on what it views as the top three emerging trends in cryptocurrency regulation development across a range of countries, while also offering policy recommendations related to these trends.

In addition to providing blockchain technology tools and forensic services, BIG is also focused on participating in the development of policies and regulations that will support the use of cryptocurrencies in a secure and transparent manner. Toward that end, BIG previously ran a trial with the U.S. Treasury Department; established operations in Washington, D.C. in May 2018; and is currently seeking to partner with regulatory agencies that could benefit from BIG's expertise in the cryptocurrency space. With close proximity to the regulatory bodies, all having varying opinions on Cryptocurrency, BIG's focus is to offer the agencies technical understanding, strategies and solutions that could be deployed to mitigate the criminal activity involving cryptocurrencies.

BIG's CEO, Lance Morginn, commented: *"Today's cryptocurrency market and the development of national regulations are still in their early days, and we look forward to being a contributing factor in the shaping of policy that results in the widespread adoption of cryptocurrencies. Three emerging patterns are clear across major countries currently grappling with the new era of digital currencies. Our team at BIG has a unique take on policy recommendations, coming from the perspective of seasoned investigators and a Big Data search and analytics provider to the cryptocurrency space. That is why we're excited to discuss these developing regulatory patterns and our policy recommendations."*

Pattern #1: Growing Recognition of Security Risks

More and more countries are recognizing the need to address security risks related to cryptocurrencies, which is positive news for the future of cryptocurrency and its users. In the US, Secretary of the Treasury, Steve Mnuchin, clarified his primary focus on cryptocurrencies was to "make sure that they're not used for illicit activities." In Europe, the UK Treasury along with the EU have made plans that would call for



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cryptocurrency platforms to conduct proper due diligence on customers while reporting any suspicious transactions. In Russia, President Vladimir Putin stated the use of cryptocurrencies carries serious risks ranging from money laundering to tax evasion, financing terrorism and spreading fraudulent schemes. Similar positions have been clearly stated by other countries, including Canada, Singapore and India, as they come to understand the need to address security risks through technology and cryptocurrency regulation.

Pattern #2: Inconsistent Stances on Cryptocurrency Regulation

Many countries are finding it difficult to decide on what their general approach will be to cryptocurrency regulation. According to Bitcoin Magazine, the US currently has "no coherent direction on its cryptocurrency regulation other than that there will be some soon," and "Russia, like South Korea, can't seem to decide how it wants to handle cryptocurrency regulations." Singapore has been relatively lax compared to many of its counterparts in Asia, but then took a somewhat less liberal stance lately in Q1 2018. India has gone from being viewed as a friendly environment for cryptocurrencies, to recently clamping down on cryptocurrencies in 2018. Australia's initial "hands-off" trajectory to cryptocurrencies back in 2015 has been replaced recently with that government strengthening its anti-money laundering laws and regulating digital currencies following the financial scandal surrounding the Commonwealth Bank of Australia in 2017.

Exceptions to this pattern include China on the conservative side, which has consistently taken greater actions to curtail the cryptocurrency space, and Switzerland on the liberal side, which says it wants to be "the crypto-nation." Despite these exceptions, the prevalent pattern is one of inconsistent national stances toward cryptocurrency regulation during these early days.

Pattern #3: Cryptocurrency as Potential Solution to Fiat Money Issues and Sanctions Avoidance

There are a growing number of countries employing cryptocurrency to address fiat money issues as well as to avoid international sanctions. For example, Venezuela's government has announced its own oil-backed, state-sanctioned "Petro" cryptocurrency in an effort to overcome that country's weak economy resulting from international sanctions, and is now offering discounts to other nations that buy Venezuela's oil in Petro coins. Other countries working on developing native cryptocurrencies to bypass economic sanctions include Iran, Crimea and Russia with its CryptoRuble. Meanwhile, Nigerians used cryptocurrencies in 2017 to avoid fiat currency controls put in place to curtail the country's recession, resulting in a 1500% boom to Bitcoin trading.



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BIG's Policy Recommendations

In response to these three emerging trends in cryptocurrency regulation development, the team at BIG is pleased to offer its top policy recommendations.

Recommendation Regarding Addressing Security Risks

Legislation and regulations are a necessity for any technology, especially if there are ramifications related to money laundering, terrorist financing and sanctions evasion. Governments can address the associated risks with a well-educated and thoughtful approach, which will allow the emergence of the benefits of the technology while mitigating the risk. Engaging the digital currency industry to help develop policies that mitigate financial crime will be key to encouraging the advances and societal benefits of decreased cost and increased security. Key industry contributions could include participating in government forums and task forces, and providing cutting-edge and mutually-beneficial approaches to AML (Anti-Money Laundering) and CTF (Counter-Terrorist Financing) efforts, as well as KYC (Know Your Customer) and KYT (Know Your Transaction) checks.

Recommendation Regarding Inconsistent National Stances on Cryptocurrency Regulation

At the best of times, national policy formation can easily become a silo-ed process. The consequence can be regulations that are researched and developed in relative isolation, which can result in a country's official positions suffering drastic changes if not costly wholesale reversals. This sort of nation-specific approach to policy formation is not conducive to the development of cryptocurrency policies due to digital currencies having a distinctive lack of restriction within national boundaries or traditional fiscal regulation. Instead, governments can respond to the borderless nature of cryptocurrencies by adopting cross-border approaches to policy formation. The development of transnational legislation and law enforcement could bring a new degree of stability to national stances. The process could be facilitated by intergovernmental organizations such as FATF (the Financial Action Task Force), while industry could play a role by contributing to intelligence sharing, particularly when it comes to responding to international crimes involving cryptocurrency.

Recommendation Regarding Cryptocurrency as a Potential Solution to Fiat Money Issues

The emergence of cryptocurrencies means we are in a new era of currency, which will inevitably require new paradigms regarding risk management, AML and CTF, and new tools and solutions to address the unique risks and advantages associated with digital currencies.

In the years to come, there will only be more nations, criminals and individuals that discover ways to leverage cryptocurrencies that were never possible with fiat money. Since the rules have changed with



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digital currencies, so too governments will be required to approach rule making in new ways. Regulation will be more effective if designed to embrace cryptocurrencies rather than restrict them; to optimize their contribution in the financial landscape rather than limit it; to focus on accountability rather than absolute control. Once again, the cryptocurrency industry can play a role by providing insight into innovative policy recommendations that could match the rapid innovation occurring in the digital currency marketplace.

References

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On behalf of the Board,

Lance
Chief Executive Officer

Morginn

About BIG Blockchain Intelligence Group Inc.

BIG Blockchain Intelligence Group Inc. (BIG) brings security and accountability to the new era of cryptocurrency. BIG has developed from the ground up a Blockchain-agnostic search and analytics engine, QLUE™, enabling RegTech, Law Enforcement and Government Agencies to visually trace, track and monitor cryptocurrency transactions at a forensic level. Our commercial product, BitRank Verified™, offers a "risk score" for Bitcoin wallets, enabling RegTech, banks, ATMs, exchanges and retailers to meet traditional regulatory/compliance requirements.

About BitRank Verified™

BIG developed BitRank Verified™ to be the industry gold standard in ranking and verifying cryptocurrency transactions. BitRank Verified™ offers the financial world a simplified front-end results page, enabling consumer-facing bank tellers, exchanges, eCommerce sites and retailers to know whether a proposed



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transaction is safe to accept, questionable, or should be denied. BitRank Verified™ and its API are custom tailored to provide the RegTech sector with a reliable tool for meeting their regulatory requirements while mitigating exposure to risk of money laundering or other criminal activities.

About QLUE™

QLUE™ (Qualitative Law Enforcement Unified Edge) enables Law Enforcement and RegTech investigators to literally “follow the virtual money”. QLUE™ incorporates advanced techniques and unique search algorithms to detect suspicious activity within bitcoin and cryptocurrency transactions, enabling investigators to quickly and visually trace, track and monitor transactions in their fight against terrorist financing, human trafficking, drug trafficking, weapons trafficking, child pornography, corruption, bribery, money laundering, and other cyber crimes.

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Forward-Looking Statements:

Certain statements in this release are forward-looking statements, which include completion of the search technology software and other matters. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such information can generally be identified by the use of forwarding-looking wording such as



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“may”, “expect”, “estimate”, “anticipate”, “intend”, “believe” and “continue” or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific that contribute to the possibility that the predictions, estimates, forecasts, projections and other forward-looking statements will not occur. These assumptions, risks and uncertainties include, among other things, the state of the economy in general and capital markets in particular, and other factors, many of which are beyond the control of BIG. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. Undue reliance should not be placed on the forward-looking information because BIG can give no assurance that they will prove to be correct. Important factors that could cause actual results to differ materially from BIG’s expectations include, consumer sentiment towards BIG’s products and Blockchain technology generally, technology failures, competition, and failure of counterparties to perform their contractual obligations.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, BIG disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, BIG undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.