



NEWS RELEASE

TAAL PURCHASES ASSETS SUPPORTING BLOCKCHAIN TRANSACTION PROCESSING OPERATIONS

Vancouver, British Columbia – March 9, 2020 – TAAL Distributed Information Technologies Inc. (CSE:TAAL | FWB:9SQ | OTCQB:SQRMF) ("**TAAL**") is pleased to announce that today it has closed on the asset purchase agreement (the "**Agreement**") with Tansley Equipment Limited, Fractical Sense Limited and Laser Lollypop Limited (together, the "**Sellers**"), three companies affiliated with Mr. Calvin Ayre (the "**Principal**"), to acquire over 50,000 non-operational cloud computing units (the "**Cloud Computing Assets**") located in the United States (the "**Transaction**").

TAAL intends to use the acquired Cloud Computing Assets to support its ongoing operations and blockchain infrastructure in order to generate cash proceeds. Further, TAAL intends to upgrade the Cloud Computing Assets with TAAL's custom components and to optimize them using its proprietary techniques, which is expected to enhance the performance and efficiency of the Cloud Computing Assets. The Cloud Computing Assets are expected to be deployed to support ongoing blockchain transaction processing operations and position TAAL to establish a significant operational footprint in North America. The Cloud Computing Assets are expected to be utilized by TAAL to offer specialized services to enterprises that require large volumes of transactions processed in North America on an ongoing basis on a reliable blockchain (known as 'block building'). TAAL anticipates that Bitcoin SV (BSV) provides the best blockchain network to support such specialized services to enterprises, supporting large transaction volumes due to BSV's scaling and microtransaction capabilities.

Further to TAAL's press release dated February 17, 2020, in satisfaction of the aggregate purchase price (the "**Purchase Price**") of US\$4,093,374 payable by TAAL to the Sellers as consideration for the Cloud Computing Assets, 2,279,215 non-voting participating shares of TAAL were issued to the Principal in satisfaction of the Purchase Price at a price of C\$2.41 per share. The price per share was calculated by dividing the Purchase Price, as converted based on the daily exchange rate quoted by the Bank of Canada on March 6, 2020, divided by the agreed to volume weighted average price of the common shares in the capital of TAAL trading on the Canadian Stock Exchange (the "**CSE**") over the 10 trading days preceding the closing date of the Transaction. In connection with closing of the Transaction, TAAL and the Sellers entered into a pledge agreement, the result of which was a pledge following closing of the shares issued pursuant to the Transaction as security for the release of the Cloud Computing Assets to TAAL free and clear of liens on or before September 4, 2020.

Further to TAAL's press release dated January 28, 2020, TAAL has issued a Request for Proposal, seeking partners to host up to 90 megawatts of computing power. The Cloud

Computing Assets are expected to provide such computing power. The Request for Proposal submission deadline is March 15, 2020.

Subsequent to TAAL's upgrade and optimization program, the Cloud Computing Assets are expected to be deployed after the passing of a Bitcoin network-wide event termed the "Halving", which takes place approximately every four years. Upon the Halving, the subsidy component of the block creation reward is reduced by one-half. The subsidy is expected to decrease from its current 12.5 coins to 6.25 coins per block successfully processed on the Bitcoin SV (BSV) network in April 2020, and on the Bitcoin Core (BTC) network in May 2020. TAAL is focused on developing a fiat-based revenue and business channel dedicated to the custom processes of blockchain transactions for enterprise clients building upon the Bitcoin SV (BSV) blockchain. Deployment of the Cloud Computing Assets is expected to occur after the Halving to ensure SHA-256 based blockchain networks have stabilized after such event.

About TAAL Distributed Information Technologies Inc.

TAAL is a Canadian based technology company engaged, through its subsidiaries, in the business of operating, managing and developing cloud computing data infrastructure and system technology to support global blockchain applications related to Bitcoin SV, Bitcoin Core and other SHA-256 based digital assets.

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The CSE accepts no responsibility for the adequacy or accuracy of this release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes "forward-looking information" as defined under applicable Canadian securities legislation. Forward-looking information and statements include, but are not limited to, disclosure regarding possible events, that are based on assumptions about future economic conditions and courses of action, disclosure with respect to statements with respect to: (i) the successful integration and anticipated benefits of the acquisition of the Cloud Computing Assets; (ii) the timing of deployment of the Cloud Computing Assets, if at all; (iii) the upgrade and optimization of any of TAAL's assets (including the Cloud Computing Assets) and the success and benefits in connection therewith; (iv) the success and benefits of the Bitcoin SV (BSV) platform; (v) the pledge agreement (including the terms and conditions thereof); (vi) the timing of release of the Cloud Computing Asset free and clear of liens, if at all; and (vii) the Request for Proposal for blockchain mining hosting services (including the terms, timing and process relating to any potential engagement) and, in certain cases, can be identified by the use of words such as "expects", or variations of such words and phrases or statements that certain actions, events or results "may" or "will", or the negative forms of any of these words and other similar expressions.

Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and

other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: uncertain and volatile equity and capital markets, lack of available capital, future demand for Bitcoin SV, Bitcoin Core and other digital assets and risks, integration issues, technological change and obsolescence, risk that the Cloud Computing Assets acquired will not successfully be integrated by TAAL, if at all, risk that the Cloud Computing Assets will not be deployed in a timely manner, if at all, risk that TAAL will not realize on the upgrade and optimization of TAAL's assets (including the Cloud Computing Assets), risk that the Cloud Computing Assets will not be released in a timely manner, if at all, and risk that TAAL will not successfully engage a blockchain mining hosting service provider in connection with its Request for Proposal. Actual results and future events and actions could differ materially from those anticipated in such forward looking information. Accordingly, readers should not place undue reliance on forward looking information. All forward looking information in this news release is made as of the date hereof and qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at www.sedar.com. TAAL disclaims any intention or obligation to update or revise such forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.