



## NEWS RELEASE

### TAAL APPOINTS NEW CEO AND ANNOUNCES CHANGES TO MANAGEMENT

Vancouver, British Columbia – March 19, 2020 – TAAL Distributed Information Technologies Inc. (CSE:TAAL | FWB:9SQ | OTCQB:SQRMF) ("**TAAL**" or the "**Company**") is pleased to announce that it has appointed Jerry D. Chan to the positions of President and Chief Executive Officer ("**CEO**") of the Company.

Mr. Chan holds a BAsC in Electrical Engineering from the University of Waterloo and is a 15-year veteran of Wall Street technology, having worked at Goldman Sachs and JPMorgan Technology in the FX, FICC, and Equities GSAT trading desks in both New York and Tokyo. He has expertise in financial systems, global markets, risk management and trading systems. Prior to joining TAAL, Mr. Chan headed the Digital Asset Solutions department of SBI Group, a financial conglomerate in Japan which has a significant investment in the blockchain industry, and also worked as Regional Manager for the Bitcoin Association. Mr. Chan's vision is that blockchain technologies will bring on a revolution to the existing financial and economic markets, kickstarting a new era of monetization of the internet.

Angela Holowaychuk will be stepping down as CEO of the Company and has been re-appointed Chief Operating Officer ("**COO**"). We thank Ms. Holowaychuk for her leadership and service as CEO over the last year, through both difficult market conditions and a transitional time for the Company. Separately, Joseph Chin, Chief Mining Officer of TAAL will be leaving the Company in June. TAAL thanks Mr. Chin for his contributions to the team and wishes him all the best in his future endeavors. Mining operations are anticipated to transition to the direct oversight of the COO.

Additionally, TAAL announces that Jimmy Nguyen will be stepping down from the Company's Advisory Board. Mr. Nguyen is President of the Bitcoin Association (the "**Association**"), a not-for-profit global industry organization that backs Bitcoin SV and advances the interests of businesses across the worldwide Bitcoin SV ecosystem. With Bitcoin SV growing rapidly, Mr. Nguyen is increasingly being called upon, by virtue of his leadership role with the Association, to address issues that affect the entire ecosystem. Seeking to remain as objective as possible, Mr. Nguyen has been withdrawing from and declining advisory board positions, directorships and similar roles with companies involved with Bitcoin SV. His departure from the Company's Advisory Board is part of this process and is not unique to TAAL – Mr. Nguyen remains on the best of terms with the Company's management and its board of directors and the Company will informally consult with Mr. Nguyen on a regular basis going forward.

#### General Operations

The entire blockchain industry has been impacted due to the recent events surrounding the coronavirus (COVID-19) pandemic. TAAL is assessing its operations and making necessary

changes focused on reducing operational overhead and increasing the Company's performance through optimization of its cloud computing operations.

As previously disclosed in its press release of February 17, 2020, TAAL has invested US\$3.2 million to upgrade, enhance and optimize the performance of its assets operating in Kazakhstan in preparation for the Bitcoin network-wide event termed the "Halving" which takes place approximately every 4 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 network in April 2020, and on the Bitcoin Core network in May 2020. Though recent events have caused a significant drop in the price of bitcoin, TAAL continues to work with external service providers to execute on this upgrade and optimization program. Based on third party testing results, the upgraded machines are showing a competitive performance output of 31 TH/s using 1600W of power, giving an overall performance efficiency of 51 W/TH.

Additionally, TAAL has maintained conservative operations over the course of 2019, preserving capital in preparation for the Halving event and the unpredictable market conditions that could follow and has not overleveraged itself with loans to support operations. Management expects to continue this conservative approach as we navigate these unprecedented market conditions and it will continue to monitor movement in the price of digital assets relative to operating costs.

TAAL would like to correct any misunderstandings regarding the use of the Miner ID feature announced January 29, 2020. It has come to management's attention that some shareholders are attempting to calculate the performance or revenues of the Company based on recorded blocks tagged "TAALcom". Miner ID can be applied when blocks are mined through the Company's managed cloud computing pooling software; however, it is important to note this is a "feature" or "option" available for use, but not necessarily required to be used. In addition, this feature is not used when TAAL is completing "solo block validating", which means that any person outside of TAAL is unable to calculate accurately the amount of blocks processed by TAAL. Shareholders are referred to TAAL financial statements and other official disclosure made by TAAL and are cautioned regarding relying on or placing credence in third-party speculation.

#### **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.

On behalf of the Board,

Angela Holowaychuk, Director

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*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, statements with respect to Mr. Chan joining the Company as President and CEO, Ms. Holowaychuk's re-appointment as COO (including the transition of mining operations to her direct oversight), Mr. Nguyen's involvement with the Company going forward (including any consultation by the Company with him), the Company's operations going forward (including operational costs, overhead, capital and approach), the upgrade, enhancement and optimization of any of the Company's assets (including the success and benefits in connection therewith), third party testing results of the performance of the Company's upgraded machines and the Miner ID generally (including the use and mechanics thereof) 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 and risk that TAAL will not realize on the upgrade and optimization of TAAL's assets. 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](http://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.*