

BLOCKCHAIN FOUNDRY INC.
PRESS RELEASE
Blockchain Foundry Reports Q2 2020 Financial Results

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Toronto, ON – August 31, 2020: Blockchain Foundry Inc. (“BCF” or the “Company”) (CSE:BCFN), a leading North American blockchain development firm, is pleased to report its financial results for the three and six months ended June 30, 2020. The Company’s full Financial Statements and Management Discussion & Analysis (“MD&A”) are available at www.sedar.com. All amounts are reported in Canadian dollars unless otherwise stated.

Financial Highlights

The following table summarizes revenue and net income (loss) for the three and six months ended June 30, 2020 and June 30, 2019.

	Three months ended June 30, 2020	Three months ended June 30, 2019	Change	Percentage Change
Revenue	382,663	178,522	204,141	114%
Net Income (Loss)	55,421	(153,597)	209,018	not meaningful
	Six months ended June 30, 2020	Six months ended June 30, 2019	Change	Percentage Change
Revenue	896,671	311,970	584,701	187%
Net Income (Loss)	67,640	(506,262)	573,902	not meaningful

“In Q1 and Q2 2020, BCF achieved positive net income and a significant increase in gross revenue. This positive outcome was a direct result of increased client development activity as well as growing market acceptance of blockchain technology. The Company experienced a substantial increase in client engagements and with the scope and breadth of projects we have undertaken over the first half of 2020, the Company continues to build its reputation as a leading blockchain service provider,” said Dan Wasyluk, CEO of Blockchain Foundry.

Outlook

The Company continues to develop its suite of blockchain infrastructure technology products and build its blockchain development and advisory business.

On the product side, BCF is building core technology to enable highly scalable, low cost, high speed blockchain transactions (Z-DAG), allow users to incorporate multiple blockchain systems within the same project (Syscoin-Ethereum bridge), and initialize custom blockchain tokens (Spark Wallet). BCF's technology infrastructure is suitable for a variety of use cases where speed, scalability, fees and security are important factors, including stablecoin projects, loyalty applications, digital identities, and remittance services.

BCF has expanded its efforts in the stablecoin area and recently entered into two important partnerships to further develop this business line (please see details below). Stablecoins are digital tokens that are pegged to fiat currencies, precious metals or other traditional asset classes. Stablecoins have experienced rapid growth and the total market size is in excess of US\$10 billion¹. BCF's partnerships in this area are intended to help the Company increase market awareness for its service offerings and take advantage of growth in this new industry.

On the advisory side, BCF endeavours to work with clients who share the same priorities and vision for what blockchain technology can achieve for governments, businesses and consumers. To date, BCF has worked with clients across industries including digital identity, financial services and token wallet and development infrastructure.

Q2 2020 Business Highlights and Subsequent Events

- The Company successfully completed the blockchain development agreement with a large Canadian financial institution as previously disclosed on February 11, 2020. The Company continues to engage with this client for additional services.
- Entered into a partnership agreement with Binance, a leading blockchain and cryptocurrency infrastructure provider, to release BUSD, a stablecoin issued by Binance and Paxos, on the Syscoin network. For more information please see the Company's press release dated July 23, 2020.
 - The collaboration will also explore the potential to bridge Syscoin, and other blockchains, to Binance Smart Chain in support of BUSD and other Binance chain tokens.
 - Allows BCF to broaden its stablecoin user base and development practice, and gives credibility and increased awareness to BCF and Syscoin.
- Entered into a partnership agreement with Blockchain Intelligence Group ("BIG"), a subsidiary of BIGG Digital Assets Inc. (CSE:BIGG), to deliver stablecoin development solutions utilizing BIGG's comprehensive suite of tools to provide tracking and ranking solutions for stablecoin projects. For more information please see the Company's press release dated May 5, 2020.
 - BCF's technology is ideally suited to developing stablecoin solutions, and this partnership will allow BCF to enhance compliance and KYC capabilities for stablecoin project that it works on.

¹ <https://coinmetrics.io/the-rise-of-stablecoins/>

- Entered into a preferred ambassador agreement with the developers of ToolChain, a blockchain-based supply chain solution.
 - Allows BCF to market and sell ToolChain and receive sales commissions from successful implementations.
 - Supply chain management is a popular use case for blockchain technology, and this agreement allows BCF to offer an additional product to its existing and pipeline clients without incurring the time and expense to build a proprietary supply chain solution.
- Entered into a partnership agreement with Matic Network to explore interoperability between the Syscoin and Matic networks. For more information please see the Company's press release dated July 29, 2020.
 - Allows BCF to provide Ethereum based projects with scalability solutions both through the Syscoin-Ethereum bridge as well as Matic's scaling technology.
 - With approximately 2,900 Ethereum-based projects² there is a substantial potential market for scalability solutions which BCF is well positioned to capitalize on.

About Blockchain Foundry Inc.

Blockchain Foundry develops and commercializes blockchain-based business solutions and provides consulting services to corporate clients seeking to incorporate blockchain technology into their businesses.

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Forward-Looking Information

Certain portions of this press release contain "forward-looking information" within the meaning of applicable Canadian securities legislation, which is also referred to as "forward-looking statements", which may not be based on historical fact. Wherever possible, words such as "will", "plans," "expects," "targets," "continues", "estimates," "scheduled," "anticipates," "believes," "intends," "may," "could," "would" or might, and the negative of such expressions or statements that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved, have been used to identify forward-looking information.

Forward-looking statements should not be read as guarantees of future events, future performance or results, and will not necessarily be accurate indicators of the times at, or by which, such events, performance or results will be achieved, if achieved at all. Readers should not place undue reliance on such forward-looking statements, as they reflect management's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by BCF are inherently subject to

² <https://www.stateofthedapps.com/platforms/ethereum>

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