

FOGCHAIN ENTERS LOI WITH EDTECH COMPANY GLOBAL STAR EDUCATION GROUP LIMITED

VANCOUVER and SAN CARLOS, CA, Nov. 6, 2019 /CNW/ - [FogChain Corp.](#) (OTCB: FOGCF; CSE: FOG; FRA: MUU3) ("FogChain" or the "Company") is pleased to announce that it has entered into a letter of intent ("LOI") dated July 5, 2020 with Global Star Education Group Limited ("**Global Star**") pursuant to which FogChain will acquire all of the outstanding shares of Golden Star pursuant to a merger, amalgamation or some other form of business combination which will constitute a fundamental change of the Company by Global Star (the "**Transaction**") within the meaning of the policies of the Canadian Securities Exchange Inc. (the "**CSE**"). The resulting issuer (the "**Resulting Issuer**") upon completion of the Transaction will change its name as acceptable to the parties and will operate the current business of Global Star (the "**Resulting Issuer**").

Global Star is an international EdTech company committed to bringing our educational services, course offerings, and leading accreditations to students worldwide. We provide a global education that brings together technology, business, teamwork, and critical thinking in an innovative learning environment thus preparing our students for the future," said Earle W. Pratt III, CEO of Global Star. "By going public in the Canadian market, we plan to rapidly expand the Global Star network of EdTech services by continuing to build and acquire leading educational institutions in Asia and worldwide."

"This transaction will allow current FogChain shareholders an opportunity to share in Global Star's success and future growth in the EdTech sector in emerging markets," commented James Cerna, CEO of FogChain.

Transaction

Pursuant to the Transaction, all of the issued and outstanding common shares in the capital of Global Star (the "**Global Shares**") will be acquired by the Company, which will result in Global Star becoming a wholly owned subsidiary of the Company and the shareholders of Global Star owning the majority of the issued and outstanding shares of the Resulting Issuer. Under the terms of the LOI, upon completion of the Transaction, the current shareholders of the Company will retain approximately 20% of the issued and outstanding share capital of the Resulting Issuer based on a pre-money valuation of Global Star of CAD\$5MM and inclusive of a CAD\$1MM pre-RTO capital raise by Global Star.

The final structure of the Transaction will be determined by the parties following the receipt of tax, corporate and securities law advice. The Transaction is an arm's length transaction and pursuant to the terms of the LOI, it is anticipated that the definitive agreement (the "**Definitive Agreement**") in respect of the Transaction will be signed on or before August 1, 2020, at which time the Company will issue a comprehensive news release in respect of the Transaction.

Completion of the Transaction is subject to a number of conditions, including but not limited to the following key conditions:

- execution of the Definitive Agreement;
- completion of mutually satisfactory due diligence; and
- receipt of all required regulatory, corporate and third party approvals, including the approval of the CSE and the shareholders of the Company and Global Star (if required) and the fulfillment of all applicable regulatory requirements and conditions necessary to complete the Transaction.

New Board and Management

Effective on the closing of the Transaction it is anticipated that the current members of the board of directors of the Company (the "**Board**") and the current management of the Company will resign. With respect of the Board, the current members will upon completion of the Transaction be replaced by nominees to the Board appointed by Global Star (the "**Nominees**") and the existing management team of Global Star will replace the current management of the Company.

Shareholder Approval

Prior to the completion of the Transaction, it is anticipated that the Company will call an annual and special meeting of its shareholders for the purpose of approving, among other matters (i) the election of the Nominees to the Board; and (ii) the change of name of the Company.

Trading Halt

Trading in the common shares of the Company will be halted on July 7, 2020 at the opening and it is expected subsequent to the dissemination of this news release, the common shares will resume trading on the CSE.

Global Star Education Group Limited

Global Star Education is an international EdTech company providing online, blended, and in-person educational courses in the Financial, Technology and Cyber Security sectors. With holdings in South East Asia, together with additional planned acquisitions, Global Star Education will become a global leader in the provision of educational services worldwide. Global Star Education is led by experienced EdTech professionals with extensive experience building, growing, and managing international educational networks. Global Star Education is one of South East Asia's leading providers of online and in-person accountancy and financial management courses whose offerings include CFA® (Chartered Financial Analyst®), CIMA® (Chartered Institute of Management Accountants), and ACCA (Associated of Charter Certified Accounts) accredited programs.

FogChain

FogChain was previously seeking to be an end-to-end software development life cycle (SDLC) and quality assurance solutions provider, but the Company's business is now limited to identifying and evaluating assets or businesses for an acquisition.

Learn more at www.FogChainInc.com

Forward-Looking Information

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. Generally, forward-looking statements and information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. More particularly and without limitation, this news release contains forward-looking statements and information concerning

the Transaction. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. 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 assumption that the Company will receive the approval of its shareholders and the CSE in respect of the Transaction. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. Factors that could cause the actual results to differ materially from those in the forward-looking statements include failure to obtain the final approval of the CSE, among other factors.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, the Company 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, the Company undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

The CSE nor its market regulator does not accept responsibility for the adequacy or accuracy of this news release. The CSE has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.