



**For Immediate Release**

April 16, 2019

## **HyperBlock Provides Update on Operations**

**Toronto, ON – April 16, 2019** - HyperBlock Inc. (CSE: HYPR) is pleased to provide an update on its ongoing operational reorganization and planned expansion, which includes the sale of non-core assets at one of its Canadian facilities.

### **Sale of Non-Core Assets On-Track**

In February 2019, [the company announced it had entered into a binding agreement](#) (the “Agreement”) for the sale of non-core datacenter assets and related infrastructure. In addition to the sale of non-core datacenter assets for US\$1 million, the Agreement provides the Buyer with the Option to assume operation of the facility (the “Facility”), and to transition services required to operate certain non-core datacenter assets at the Facility. The buyer has made all scheduled progress payments, the transaction is now expected to close, and the Option must be exercised by the Buyer, on or before June 30, 2019. A copy of the Agreement can be found at [www.sedar.com](http://www.sedar.com)

### **Datacenter Expansion Update**

The Missoula County Commission [recently passed emergency interim zoning regulations](#) designed to regulate cryptocurrency mining datacenters. While attorneys for the company are working to gain a better understanding of some of the nuances of the regulations, they seem to place additional requirements on the methods and sources the company uses to purchase its electricity. The company is investigating whether such regulations are lawful and within the scope of the County’s jurisdiction. The practical effect of these regulations will likely be to postpone the company’s previously announced, and already begun, 20MW to 60MW datacenter expansion project. The company is investigating all of its options with the assistance of legal counsel, local community leaders and electric utility experts. The company is cautiously optimistic that the substantial investments it made that pre-date the interim zoning regulations mean the company’s rights to expand as intended are vested under applicable law.

HyperBlock continues to be committed to operating as sustainably as possible, purchasing electricity from a hydro-electric dam for its current 20MW Missoula datacenter – and employing advanced recycling technology to minimize environmental impact.

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**Deploying Working Capital Efficiently**

Because of a crowded competitive marketplace, and in order to preserve working capital, the company has opted to discontinue further work on its custodial storage platform.

**About HyperBlock Inc.**

HyperBlock is a leading publicly traded crypto-asset enterprise. The company operates one of North America's most efficient cryptocurrency datacenters and provides complementary product offerings, which include cryptocurrency mining, Mining-as-a-Service (MAAS), server hosting and server hardware sales. Learn more at [www.hyperblock.co](http://www.hyperblock.co)

**Cautionary Note Regarding Forward Looking Information and Future-Orientated Financial Information**

*Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "intend", "forecast" and similar expressions. These forward-looking statements are based on assumptions and estimates of management, which management considers reasonable, based on information available on the date hereof. Such assumptions may be incorrect. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: that market prices will be consistent with expectations, the continued availability of capital and financing, general economic, market and business conditions will be consistent with expectations, fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in the prices of cryptocurrencies mined by the company; historical prices of cryptocurrencies and the ability of the company to mine cryptocurrencies consistent with historical prices; the ability to retain personnel to execute the company's business plans and strategies; availability of power supply at prices favorable to the business and operations of the company, or at all; higher operating costs; the presence of laws and regulations that may impose restrictions on the ability of the company to operate its business, including securities laws applicable to the company; the speculative nature of cryptocurrency mining and blockchain operations; changes in project parameters as plans continue to be evaluated; competition in the company's operating markets; and those factors described under the heading "Risks Factors" in the company's listing statement dated July 10, 2018 and the risks described in the company's Management's Discussion & Analysis for the nine months ended September 30, 2018 dated November 29, 2018, each of which is available on the company's issuer profile on SEDAR. There may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements and information. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward-looking information, will prove to be accurate. The company does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law. All forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement.*

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