



NEWS RELEASE

TAAL.COM MINES HISTORIC BLOCK TO LOCK IN “GENESIS” PROTOCOL UPDATE OF BITCOIN SV NETWORK

Vancouver, British Columbia; February 5, 2020 – TAAL Distributed Information Technologies Inc. (CSE:TAAL | FWB:9SQ | OTCQB:SQRMF) (“TAAL”) is pleased to announce that it has successfully completed the upgrade to its Bitcoin SV Node mining software to support the “Genesis” network upgrade code-named “Genesis” that activated on February 4, 2020. In addition, TAAL mined the historic block (<https://whatsonchain.com/block-height/620539>) considered to lock-in activation of the new Genesis rules on the Bitcoin SV network.

At 1:35 am GMT on February 4, block 620,538 was mined and Bitcoin SV nodes using v1.0.0 or greater (the software versions supporting Genesis) began accepting transactions under the restored Genesis protocol. At 1:55 am GMT at block height 620,539, the first block containing a Genesis-only transaction was mined by TAAL, locking in the change.

This transaction was prepared in advance by the Bitcoin SV Node team and broadcasted with the following message: *“On February 4th, 2020, the Return to Genesis was activated to restore the Satoshi Vision for Bitcoin. It is locked in irrevocably by this transaction. Bitcoin can finally be Bitcoin again and the miners can continue to write the Chronicle of everything. Thank you and goodnight from team SV.”*

Background and Benefits

The Bitcoin SV network successfully completed the Genesis hard-fork protocol updated on February 4, 2020. This update is code-named Genesis because it includes a set of protocol restoration changes that represent an almost complete return to the original Bitcoin protocol, as documented in the white paper by Bitcoin’s pseudonymous creator Satoshi Nakamoto.

In TAAL’s opinion, the major changes addressed within this upgrade on the BSV network are expected to significantly and positively impact the blockchain industry and all participants for the long term.

With the industry focused on supporting transaction generating applications and solutions for enterprise users looking to build upon the blockchain the number of transactions (payment and data type transactions) being written to the blockchain is increasing rapidly.

In TAAL’s opinion, a key beneficial change within this update for miners is the elimination of any default block cap set by protocol developers in the node software. On the BSV network, miners, like TAAL, can now control the consensus of the block caps and thus transaction capacity of the blockchain network depending on market and contractual conditions. This change is expected to be advantageous for TAAL as it opens the door for unbounded transaction growth, without needing approval of protocol developers, and enables a steady and increasing revenue channel based on mining transaction fees.

A summary of changes made in the Genesis update, authored by the Bitcoin SV Node team at nChain Ltd, is available here: <https://bitcoinsv.io/2020/01/15/changes-for-the-genesis-upgrade/>. In short, Genesis unlocks many technical capabilities that were always possible in Bitcoin making it easier for engineers and developers to build innovative applications on the Bitcoin blockchain that leverage micropayments, data interchange, on-chain data storage.

“Now that full capabilities of Bitcoin script have been unlocked we look forward very much to seeing what application developers will begin to do with that capability. This is the beginning of Bitcoin becoming what it was always meant to be.” Steve Shadders, CTO of nChain and Technical Director of the BSV Node Team.

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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