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November 15, 2017

NEWS RELEASE

CSE: AKE

**ATLAS CLOUD ANNOUNCES PROPOSED PRIVATE PLACEMENT
AND CHANGE OF DIRECTOR AND OFFICER**

Atlas Cloud Enterprises Inc. (the “**Company**” or “**Atlas Cloud**”) (CSE: AKE) is pleased to announce that it intends to complete a non-brokered private placement offering of up to 40,000,000 units (the “**Units**”) at a price of \$0.35 per Unit for gross proceeds of up to \$14,000,000 (the “**Offering**”). Each Unit will consist of one common share in the capital of the Company (a “**Share**”) and one transferable common share purchase warrant (a “**Warrant**”), with each Warrant exercisable into one additional Share at a price of \$0.75 for a period of 24 months from the date of closing.

Closing of the Offering is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the Canadian Securities Exchange. All securities issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. The Offering is not subject to a minimum aggregate amount of subscriptions.

The Company will make the Offering available to certain subscribers pursuant to BC Instrument 45-536 - *Exemption From Prospectus Requirement for Certain Distributions Through an Investment Dealer* (the “**Investment Dealer Exemption**”).

In accordance with the requirements of the Investment Dealer Exemption, the Company confirms that there is no material fact or material change about the Company that has not been generally disclosed.

Finder’s fees may be paid to qualified arms length parties in connection with the Offering. The Company intends to use the net proceeds from the Offering as follows: \$5,000,000 will be used for the acquisition

of a geophysical redundancy facility for backup and archiving that is two seismic grids away with access to sub- $\$0.03/\text{kWh}$ electricity; $\$2,000,000$ will be used for R&D for secure blockchain storage and backup/archiving products; $\$1,000,000$ will be used for secure, traceable media hosting and streaming products; $\$2,000,000$ will be used for production and development servers; $\$1,000,000$ will be used for hiring operational, security, and network teams; and the remaining amount will be used for general corporate purposes and future working capital.

In addition, the Company announces the appointment of Ms. Yana Popova as CFO, director and audit committee member filling the vacancy created by the resignation of Ms. Laurie Sadler as CFO, director and audit committee member. The Company would very much like to thank Ms. Sadler for her service to the Company and wishes her all the best in her future endeavours.

On behalf of the Board,

“Fred W. Stearman”

Fred W. Stearman
Chief Executive Officer

For further information, contact the Company's CFO, Yana Popova at (604) 328-5598 or at info@atlascloud.ca.

The CSE does not accept responsibility for the adequacy or accuracy of this release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

FORWARD LOOKING INFORMATION

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including but not limited to, the future business operations of Atlas Cloud. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in the news release are made as of the date of this news release, and the Company does not undertake any obligations to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.