

# **Reg Technologies, Inc.**

NEWS RELEASE

## **Non-binding Letter of Intent with Graph Blockchain Limited June 29, 2018**

The Board of Directors of Reg Technologies Inc. (“RegTech”) are pleased to announce that Reg Tech and Graph Blockchain Limited (“GBC”) have entered into a non-binding Letter of Intent (the “LOI”) which outlines the general terms and conditions pursuant to which RegTech and GBC have agreed to complete a transaction that will result in RegTech acquiring all of the issued and outstanding securities of GBC (the “Transaction”) pursuant to a reverse-takeover (“RTO”).

The LOI was negotiated at arm’s length and is effective as of May 31, 2018. GBC is engaged in the business of developing state of the art private blockchain solutions for corporations and government agencies and is a joint venture company of Datametrex AI Limited (TSX V: DM) and its San Francisco based joint venture partner Bitnine Global Inc. (“Bitnine”).

### **Terms of the Transaction**

It is anticipated that the Transaction will be effected by way of merger, amalgamation, share exchange, plan of arrangement, business combination or other similar form of transaction as is acceptable to GBC and RegTech.

RegTech and GBC will enter into a definitive agreement in respect of the Transaction (the “Definitive Agreement”) pursuant to which the common shares of GBC will be exchanged for 123,333,333 common shares in the capital of RegTech (collectively, the “Resulting Issuer Shares”) at a deemed price of C\$0.30 per Resulting Issuer Share on a pre-Consolidation basis and pursuant to an exchange ratio to be agreed to by the Parties in accordance with the terms of the Definitive Agreement. In addition, GBC will have the right but not the obligations to complete a private placement of common shares at a price per share of C\$0.30 for maximum gross proceeds of C\$10,000,000 concurrent with the Transaction.

Completion of the Transaction is subject to a number of conditions: (i) RegTech and GBC entering into the Definitive Agreement; (ii) the satisfactory completion of all legal, business and technical due diligence to the satisfaction of each party; and (iii) the receipt of all required consents and approvals, including without limitation, the approval of the TSX Venture Exchange (the “TSXV”) or the Canadian Securities Exchange (the “CSE”, and any one of the TSXV and CSE, the “Exchange”) to list the Resulting Issuer Shares for trading, and the approval of RegTech and GBC Shareholders.

RegTech will apply for partial and full revocations of the cease trade order with the British Columbia Securities Commission and complete a private placement to raise gross proceeds of up to C\$300,000 at a price of C\$0.15 per RegTech Share (the “Offering”) with the first tranche of \$150,000 to be raised upon the partial revocation of the cease trade and the second tranche of \$150,000 to be raised upon the full revocation of the cease trade order. The net proceeds from the Offering will be used to pay the costs of the Transaction and working capital purposes. There is no guarantee that the cease trade revocation applications will be successful.

Upon completion of the Transaction, it is the intention of the Parties that the Resulting Issuer will continue to focus on the current business and affairs of GBC.

## **Insiders, Officers and Board of Directors of the Resulting Issuer**

The board of directors of the Resulting Issuer upon completion of the Transaction is expected to consist of a minimum of three directors, of which two will be independent, all of whom will be appointed by GBC. In addition, it is anticipated that upon completion of the Transaction, the current management of GBC will become the management of the Resulting Issuer.

### **About RegTech**

RegTech was incorporated under the provisions of the *Business Corporations Act* (British Columbia) with its registered and head office in Vancouver, British Columbia. RegTech is a “reporting issuer” within the meaning of the, *Securities Act* (British Columbia) and *Securities Act* (Alberta) and is currently subject to a cease trade order and its securities are not currently listed on any Canadian stock exchange.

### **About Graph Blockchain**

GBC is a private company, incorporated under the laws of Canada. GBC has offices in Toronto, Ontario, Silicon Valley, California, and Seoul, Korea. GBC is a Blockchain development company that provides high performance Blockchain solutions that include graphic data analysis and consulting services, implementation of data mining analysis through the use of graph databases and speed enhancements of Blockchain control systems for corporations and government agencies.

GBC has filed four patents with the United States Patent and Trademark Office and Korea Intellectual Property Office, signed contracts with multi-billiondollar conglomerates, and completed and delivered prototype solutions.

### **About Datametrex AI Limited**

Datametrex AI Limited is a technology focused company with exposure to four exciting verticals. Big Data, collecting data from retail point of sales environments. Artificial Intelligence and Machine Learning through its wholly owned subsidiary, Nexalogy ([www.nexalogy.com](http://www.nexalogy.com)). Implementing Blockchain technology for secure Data Transfers through its joint venture company, Graph Blockchain ([www.graphblockchain.com](http://www.graphblockchain.com)). Industrial scale Cryptocurrency Mining through its wholly owned subsidiary, Ronin Blockchain Corp ([www.roninblockchain.com](http://www.roninblockchain.com)).

Additional information on Datametrex is available at: [www.datametrex.com](http://www.datametrex.com)

ON BEHALF OF THE BOARD OF DIRECTORS

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*Statements in this press release regarding the business of Reg Technologies Inc. which are not historical facts are "forward-looking statements" that involve risks and uncertainties, including management's expectation on the applications for the partial revocation and full revocation of the cease trade order and closing the private placement, certain of which are beyond the Companies' control. There can be no assurance that such statements will prove accurate, and actual results and developments are likely to differ, in some case materially, from those expressed or implied by the forward-looking statements contained in this press release. Readers of this press release are cautioned not to place undue reliance on any such forward-looking statements.*

*Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to the Companies or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Companies do not undertake any obligation 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 may be required by applicable securities laws.*