

Graph Blockchain Signs a Definitive Agreement with Babbage Mining Corp. and Announces Financing

Toronto, Ontario--(Newsfile Corp. - January 26, 2021) - Graph Blockchain Inc. (CSE: GBLC) ("Graph" or the "Company"), a leading-edge private blockchain solutions company, is pleased to announce that it has entered into a definitive share exchange agreement dated January 25, 2021 (the "Agreement") with Babbage Mining Corp. ("Babbage") and the shareholders of Babbage whereby Graph will acquire all of the issued and outstanding securities in the capital of Babbage (the "Acquisition"). The Acquisition is an arm's length transaction and is expected to close on or before February 1, 2021 or such other date as agreed to by the parties.

Pursuant to the Agreement, Graph will acquire all of the issued and outstanding common shares in the capital of Babbage at an aggregate purchase price of \$4.8 Million to be satisfied by the issuance of an aggregate of 60 million units of the Company (the "Consideration Units"). Each Consideration Unit will be issued at a deemed price of \$0.08 per unit and is comprised of one common share and one common share purchase warrant (each a "**Warrant**"). Each Warrant is exercisable into one common share in the capital of the Company at a price of \$0.10 per common share for a period of eighteen (18) months from the closing of the Acquisition.

Completion of the Acquisition is subject to a number of customary closing conditions, including, among other things, the satisfactory completion of due diligence. Graph does not believe that the Acquisition constitutes a 'fundamental change' or a 'change of business', as such terms are defined by the Canadian Securities Exchange (the "CSE"), and therefore the closing of the Acquisition will not require the approval of shareholders or the CSE. There can be no assurance that the Acquisition will be completed on the terms proposed in the Agreement or at all or that the CSE may require Graph to obtain shareholder approval in respect of the Acquisition.

Graph is also pleased to announce that it intends to raise gross proceeds of up to \$2,000,000 through a non-brokered private placement (the "Financing") of up to 25,000,000 units (the "Units") of the Corporation at a price of \$0.08 per unit with 15% over allotment option.

Each Unit shall consist of one common share ("Share") in the capital of the Company and one common share purchase warrant ("Unit Warrant"). Each Unit Warrant will entitle the holder thereof to acquire one common share of the Company (each a "Warrant Share") at a price of \$0.10 per Warrant Share for a period of 18 months following the date of issuance.

The Financing is subject to all necessary regulatory approvals. The securities being issued in the private placement will be subject to a four-month and one day hold period in accordance with applicable Canadian securities laws. Graph intends to use the net proceeds for purchasing the crypto mining equipment and general working capital.

About Babbage Mining Corp.

Babbage focuses on Altcoins, alternative cryptocurrencies to Bitcoin. By mining Altcoins through Proof of Work and Proof of Stake, Babbage is able to give its investors exposure to the vast emerging market of cryptocurrencies with the significant technological disruption and potential gains that Altcoins represent.

Additional Information on the Company is available at: www.babbagemining.com

About Graph Blockchain Inc.

The Company develops leading-edge private blockchain business intelligence and data management solutions that it will implement into a blockchain supported e-commerce marketplace for the sale of psychedelic and ancillary products in legal jurisdictions.

Additional Information on the Company is available at: www.graphblockchain.com.

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Neither the Canadian Securities Exchange nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements. In some cases, forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of the proposed Acquisition and the Financing. Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Such statements may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

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