



## **St-Georges Eco-Mining Announces Spin-Out of Subsidiary ZeU Crypto Networks & Intellectual Property Acquisition Agreement Amendment with Tiande**

-FOR IMMEDIATE RELEASE-

**Montreal, May 22, 2018 – St-Georges Eco-Mining Corp. (CSE: SX) (OTC: SXOOF) (FSE: 85G1)** announces that it intends to spin-out its subsidiary ZeU Crypto Networks Inc., with the intent of listing ZeU on the Canadian Securities Exchange. The transaction is being undertaken to focus the efforts of St-Georges on its core mining, metallurgical processes and commodities management technologies related activities, while seeking to maximize shareholder value of the technologies to be acquired by ZeU by placing them in a separate public company. The spin-out will allow ZeU management to initiate and grow operations with no further restrictions.

**Shareholders to receive one ZeU share for every 8 St-Georges shares.**

It is proposed that the spin-out would be effected by way of a plan of arrangement (the “**Arrangement**”) which would see shareholders of St-Georges receive an aggregate of 11,249,825 shares of ZeU, representing one (1) share of ZeU for every eight (8) shares of St-Georges held, and St-Georges would retain 8,750,175, of the 20,000,000 shares of ZeU St-Georges currently owns. Additional information regarding distributions to shareholders will be disclosed by way of circular in the coming weeks.

### **Financing**

ZeU is planning to complete an initial tranche of the previously announced debenture financing, prior to the spin-out, for up to an aggregate amount of \$10 million dollars. The company won’t seek additional amounts within that proposed financing and will instead initiate a separate private placement in parallel to the Spin-Out transaction (“**Concurrent Financing**”) to be completed concurrently with the Arrangement by way of subscription receipt of ZeU (the “**Subscription Receipts**”) at a price of C\$1,000 per Subscription Receipt. Upon closing of the Arrangement, each holder of Subscription Receipts will receive, for no additional consideration and subject to adjustment, one special warrant (the “**Special Warrants**”) that, upon the satisfaction of certain conditions, shall be automatically exercised, for no additional consideration, to acquire \$1,000 principal amount of 10% unsecured convertible debentures of ZeU (each, a “**Convertible Debenture**” and, collectively, the “**Convertible Debentures**”). Each Convertible Debenture shall be convertible into common shares of ZeU, as applicable, at a price of \$1.00 per share, subject to adjustment in certain events.

Further details of the spin-out transaction, the Arrangement and the Concurrent Financing will be contained in the management information circular to be mailed to shareholders of St-Georges and filed on SEDAR in connection with the meeting of shareholders to be held to approve the

transaction, currently contemplated to be held in July 2018. The Arrangement remains subject to approval by the shareholders of St-Georges, receipt of a final court order from the Superior Court of Quebec, and the approval of the listing of ZeU by the Canadian Securities Exchange. Notwithstanding the receipt of all requisite approvals, the directors of St-Georges reserve the right to elect to not to proceed with the Arrangement.

### **Amendment to Tiande Assets Acquisition Agreement**

St-Georges also wishes to inform that, further to its February 26, 2018 press releases, ZeU has signed an agreement amending (the “**Amending Agreement**”) certain terms and conditions of its definitive asset purchase agreement dated February 23, 2018 with Qingdao Tiande Technologies Limited (“**Qingdao**”) and Beijing Tiande Technologies Limited (“**Beijing**” and together with Qingdao, the “**Vendors**”) with the intervention of Guiyang Tiande Technologies Limited to purchase substantially all the intellectual property of the Vendors (the “**Acquisition**”).

The purpose of the Amending Agreement is to eliminate uncertainties related to the closing of the Acquisition, expedite the Arrangement, which will allow ZeU to fully commit to the development of the Vendors’ Blockchain Technology, and facilitate the Concurrent Financing.

The material terms of the Amending Agreement are the removal of the minimum \$10,000,000 concurrent financing condition, and the reorganization of the purchase price to provide for: (i) the delivery on the closing date, which will now occur concurrently with the completion of the Arrangement, to Vendors of 30,000,000 common shares of ZeU and 75,000,000 common share purchase warrants of ZeU exercisable at of \$1.00 for a period of three years (3 years) following the listing of ZeU on a recognize stock exchange; (ii) the delivery, to the extent and only if all of the Milestone Conditions (please see February 26, 2018 press releases for details) are satisfied, an additional 45,000,000 common shares of ZeU; and (iii) the delivery, to the extent and only if the Patent Condition (please see February 26, 2018 press releases for details) is satisfied, of a final 75,000,000 common shares of ZeU.

The Acquisition remains subject to requisite regulatory approval and satisfaction of closing conditions contained in the agreement, including completion of the Arrangement.

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ON BEHALF OF THE BOARD OF DIRECTORS

**“Frank Dumas”**

FRANK DUMAS, PRESIDENT & CEO

Medias and Regulators Only: 514.295.9878

### **About St-Georges**

St-Georges is developing new technologies to solve the some of the most common environmental problems in the mining industry.

The Company controls directly or indirectly, through rights of first refusal, all of the active mineral tenures in Iceland. It also explores for nickel on the Julie Nickel Project & for industrial

minerals on Quebec's North Shore and for lithium and rare metals in Northern Quebec and in the Abitibi region. Headquartered in Montreal, St-Georges' stock is listed on the CSE under the symbol SX, on the US OTC under the Symbol SXOOF and on the Frankfurt Stock Exchange under the symbol 85G1.

*The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.*

*The release contains forwarding looking information and statements as defined by law including, without limitation, Canadian securities laws and the “safe harbor” provisions of the US Private Securities Litigation Reform Act of 1995 (“forward-looking statements”), respecting St-Georges’ plans to spin-out its subsidiary ZeU. which is intended to be listed on the Canadian Securities Exchange. Forward-looking statements involve risks, uncertainties and other factors that may cause actual results to materially differ from those expressed or implied by the forward-looking statements including that the spin-out may not be completed as planned or at all due to failure to obtain shareholder or regulatory approval ,the inability to complete the Acquisition, raise sufficient capital to adequately fund Zeu or a decision of the board of St-Georges not to proceed, which decision can be made at any time prior to closing. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and a number of assumptions that may prove to be incorrect, including, without limitation, assumptions about general business and economic conditions, the timing and receipt of required approval and continued availability of capital and financing. Readers are cautioned not to place undue reliance on the forward-looking statements contained herein. The foregoing list is not exhaustive and St-Georges undertakes no obligation to update any of the foregoing except as required by law.*