



Fireswirl
Technologies Inc.

**FIRESWIRL AGREES TO SALE OF SHENZHEN SERVICE
BUSINESS FOR UP TO \$8 MILLION**

VANCOUVER, British Columbia, October 28, 2014 – Fireswirl Technologies Inc. (TSXV: FSW) ("**Fireswirl**" or the "**Company**") is pleased to announce that it has, together with certain subsidiaries, entered into an asset purchase agreement (the "**Agreement**") with Fung Holdings (1937) Limited ("**Fung**"), for the sale of Fireswirl's business comprising the Shenzhen e-commerce platform, which provides solutions catering to the Omni Channel requirements of customers, together with the fixed assets, goodwill, intellectual property and contracts comprised in the business (the "**Target Business**"), including two contracts (the "**Contracts**") Fireswirl is currently negotiating in relation to the Target Business.

The aggregate purchase price payable pursuant to the Agreement is up to \$8,000,000, payable as follows:

- up to \$6,500,000 in respect of the Target Business, half of which shall be payable at closing and the balance on the satisfaction of certain conditions subsequent;
- up to \$1,000,000 in respect of one Contract, half of which shall be payable on the assignment of such Contract and the balance on the satisfaction of certain conditions subsequent; and
- up to \$500,000 in respect of the other Contract, half of which shall be payable on the assignment of such Contract and the balance on satisfaction of certain conditions subsequent.

As described above, the total Purchase Price payable is dependent on the satisfaction of certain conditions subsequent, including the resignation of Mr. Tony Lau as Fireswirl's CEO no later than six (6) months from closing, at which time Mr. Lau is expected to join the Purchaser as an employee. Mr. Lau is expected to serve on a consultancy basis to Fung in the interim period, if any, prior to his resignation.

Mr. Tony Lau commented: "I am pleased that we have this opportunity to divest our non-core asset while creating substantial value for our shareholders. The Target Business accounted for only a nominal portion of our revenues in 2013 and through the first half of 2014. Its sale should not affect Fireswirl's core technology, the team that Fireswirl has assembled or the day-to-day operations of the core business, including its existing client contracts, which should remain largely unchanged."

The closing of the sale is subject to the satisfaction of certain conditions, including certain Fireswirl employees having accepted employment or consultancy with Fung, as the case may be, and the waiver of certain post-termination restrictive covenants, including for the CEO, as well as other usual and customary closing conditions. Subject to the satisfaction or waiver of these conditions, the transaction is expected to close in due course, and in any event not later than in the second quarter of 2015.

Bridge Loan

Pursuant to the Agreement, Fung will advance an interest-free loan to Fireswirl in the aggregate principal amount of \$400,000, which loan shall be secured against the assets of the Target Business. The loan will be repayable at closing by way of set-off against the Purchase Price, provided that if the Agreement is terminated, the loan must be repaid within thirty (30) days, after which Fireswirl will pay interest at the rate of ten (10%) percent per annum.

Resignation of CEO

Mr. Lau will assist the Board in its recruitment process for a new CEO for a period of up to six months post closing, upon expiry of which he will resign from his role as CEO, although he will continue in his role as a director.

Mr. Lau began his current tenure as CEO of Fireswirl in 2008, after serving as its chief technology officer since 2006. During his time with the Company, Fireswirl achieved several significant milestones, including successfully diversifying its technology beyond gaming to focus on the e-commerce solution market, entering China's significant online and mobile shopping market and successfully completing the acquisition of a controlling interest in XCXD.

Ji Yoon, the interim chief financial officer of Fireswirl commented: "Tony has done an excellent job in focusing the Company's strategic plan for almost a decade and advancing the Company. Fireswirl wishes Tony all the best in the future as he moves on to new challenges and opportunities."

Mr Lau commented: "The Company plans to continue its long-term road map to gain a substantial foothold in the China online market. At the same time, Fireswirl is working on a progressive CEO succession plan for a smooth and well-planned transition. The divestment of the non-core Target Business should help the Company focus on developing its core business and identifying and pursuing other business opportunities as they arise."

About Fireswirl

Fireswirl Technologies Inc. (TSXV: FSW) is focused on creating transactional revenue by engineering electronic and mobile commerce solutions for content providers. The Company's technology has broad applications for solutions requiring multiple payment interfaces, multicurrency and multi-language capabilities. Our solutions can be adapted to any industry seeking high volume or micro-payment solutions involving a wide base of users through internet or wireless applications.

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This press release contains certain forward-looking statements that reflect the current views and/or expectations of Fireswirl with respect to the expected closing of the Agreement and the Company's business and future events. The reader is cautioned that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other factors which are difficult to predict and may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the Company's business and the industry and markets in which the Company operates. Forward looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Assumptions underlying the Company's expectations regarding forward-looking statements contained in this news release include, among others, that all conditions precedent in the Agreement will be satisfied or waived by the expected closing date and that required approvals under the Agreement will be obtained in the anticipated timeframe. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, that the conditions precedent in the Agreement will not be satisfied or waived and that required approvals under the Agreement will not be obtained in the anticipated timeframe. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements, which are qualified in their entirety by this cautionary statement. Fireswirl does not undertake any obligation to release publicly any revisions for updating any voluntary forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.