

Fineqia Accepted into the U.K. Financial Regulator's Sandbox Program

Fineqia to test the issuance and administration of bonds backed by cryptoassets

LONDON, July 20, 2018 /CNW/ - Fineqia International Inc. (the "**Company**" or "**Fineqia**") (CSE: FNQ) (OTC: FNQQF) (Frankfurt: FNQA), a company with a digital platform that enables companies to issue and administer debt and equity securities, is pleased to announce its U.K. subsidiary Fineqia Limited has been accepted to participate in the fourth cohort of the Financial Conduct Authority (FCA) Sandbox Regulatory Program.

Fineqia joins other participating companies including top banks such as Barclays Plc, HSBC Holdings Plc and the Royal Bank of Scotland Group Plc's NatWest division as well as newer companies such as digital asset exchange platform BlockEx Limited and blockchain insurance company Etherisc Limited.

Fineqia Limited met the FCA Sandbox eligibility criteria and was among the 29 companies accepted out of 69 applicants. It will develop and test the issuance and administration of bonds backed by blockchain-based cryptoassets, such as Bitcoin and Ethereum.

"This helps us develop a new asset class within the regulatory protected environment offered by the FCA Sandbox program," said Fineqia's CEO Bundeep Singh Rangar. "It's testimony to the team's effort and commitment toward a disciplined and compliant rollout of a new financial product. Worldwide demand for borrowings against crypto holdings is increasing and with this test, we intend to demonstrate our ability to successfully tap into this growing market."

Fineqia Limited will utilize a blockchain-based digital platform to automate all key steps in the financial product lifecycle, such as term coordination, legal documentation, deal subscription and ongoing administration in view of facilitating secondary trading of this innovative financial product after successful completion of the testing phase. Secured bonds will be more efficiently and compliantly executed using a blockchain infrastructure with cryptoassets used as collateral.

The regulatory sandbox allows firms to test innovative products, services or business models in a live market environment, while ensuring that appropriate protections are in place. It is part of Innovate, an initiative kicked off in 2014 to promote competition in the interest of consumers. Since its inception Innovate has had over 1,200 applications and has supported more than 500 firms. The sandbox was a first for regulators worldwide, underlining the FCA's commitment to innovation in financial services.

Christopher Woolard, executive director of Strategy and Competition at the FCA, said:

"I am pleased to say that this is the largest sandbox cohort to date with a record number of applicants meeting our eligibility criteria. Cohort 4 has seen a large increase in the number of firms testing wholesale propositions including firms that are aiming to increase the efficiency of the capital-raising process. Alongside these we can see significant use of distributed ledger technology (DLT), some experimentation with cryptoassets which will help inform our policy work and propositions aimed at helping lower income consumers."

The FCA received 69 applications to Cohort 4 of the regulatory sandbox, an increase on the number of applications to Cohort 3. Twenty-nine firms will proceed to test.

The regulator's announcement about its Cohort 4 and Fineqia's participation in it can be viewed at <https://www.fca.org.uk/news/press-releases/fca-reveals-fourth-round-successful-firms-its-regulatory-sandbox>.

About Fineqia International

Fineqia International is a listed entity in the Canada (CSE: FNQ), US (OTC: FNQQF) and Europe (Frankfurt: FNQA). Fineqia International outlines the Company's corporate governance, culture, processes and relations by which the Company and its subsidiaries are controlled, directed and governed. Fineqia International oversees and ensures the overall success, planning and growth of the Company and all of its subsidiaries. It recently announced the incorporation of blockchain technologies to achieve these objectives. For more information visit: <https://investors.fineqia.com/news>

About Fineqia Limited

Fineqia provides a platform and associated services to support security issuances and manage administration of equity and debt securities. It acts as a broker bringing an issuing company's securities to market, distributing and marketing them as well as transparently highlighting the risks and objectively outlining opportunities involved. For more information visit www.fineqia.com

About the FCA

The Financial Conduct Authority is the conduct regulator for 58,000 financial services firms and financial markets in the UK and the prudential regulator for over 18,000 of those firms. <https://www.fca.org.uk/>

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Some statements in this release may contain forward-looking information (as defined under applicable Canadian securities laws) ("forward-looking statements"). All statements, other than of historical fact, that address activities, events or developments that Fineqia (the "Company") believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding potential acquisitions and financings) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, the failure to obtain sufficient financing, and other risks disclosed in the Company's public disclosure record on file with the relevant securities regulatory authorities. Any forward-looking statement speaks only as of the date on which it is made except as may be required by applicable securities laws. The Company disclaims any intent or obligation to update any forward-looking statement except to the extent required by applicable securities laws.

Fineqia Limited (FRN: 757772) is an appointed representative of Kession Capital Limited (FRN: 582160), which is authorised and regulated by the Financial Conduct Authority in the UK.

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