

Cryptologic Announces Signing of Amended Bridge Loan Agreement with Wayland Group

TORONTO, Sept. 23, 2019 (GLOBE NEWSWIRE) -- Cryptologic Corp. (CSE: CRY) ("Cryptologic" or the "Company") is pleased to announce that Maricann Inc. ("Maricann"), a subsidiary of Wayland Group (CSE:WAYL) ("Wayland"), and Cryptologic have entered into an amended and restated loan agreement, effective as of September 17, 2019 (the "Agreement"), that provides for additional bridge loans from Cryptologic to Maricann (collectively, the "Loans" and each a "Loan"). Each additional Loan is expected to be in an amount equal to \$1 million, subject to an overall aggregate cap of \$25 million for all Loans, including Loans already advanced. Following Cryptologic's advance of an additional Loan of \$1 million on September 18, 2019, the aggregate principal amount of outstanding Loans is \$6 million. The Agreement has been entered into in connection with the previously announced letter of intent dated August 2, 2019 (as amended, the "LOI") pursuant to which Cryptologic intends to purchase the Canadian business of Wayland, including a partially complete cannabis cultivation and processing facility in Langton, Ontario which holds EU-GMP certification (the "Asset Purchase").

The Agreement provides for, amongst other things, the payment by Maricann to Cryptologic of a non-completion fee (the "Fee") up to an amount equal to 5% of the deemed aggregate equity value of the Asset Purchase. Wayland would be required to pay the Fee in the event that the Asset Purchase is not completed as a result of Wayland completing an alternative transaction in connection with its Canadian business, and the Fee would be payable on the earlier of the closing date of an alternative transaction, or the last day of the term of the Loans. The amount of the Fee would be calculated based on the aggregate principal amount of outstanding Loans (subject to the 5% maximum). In the event that the Fee becomes payable, based on the current aggregate principal amount of outstanding Loans, the Fee will be \$6 million if the principal amount of the loan is repaid on or prior to completion of the alternate transaction or \$11.5 million if it is not, which is the maximum amount permitted under the Agreement based on 5% of the deemed aggregate equity value of the Asset Purchase of \$230 million. The Agreement further amends the LOI to extend the exclusivity period to December 16, 2019, to provide adequate time for all regulatory approvals, including approval by the Company's shareholders. Upon the expiry of the exclusivity period, Wayland may provide notice that it intends to commence discussions with respect to an alternative transaction and the issuance of such notice shall consequently trigger the obligation to pay the Fee.

Cryptologic also announces the resignation of Mr. Gino DeMichele from the Company's Board of Directors. Mr. DeMichele's resignation comes after his acceptance of a new position and the resulting lack of available time to serve on the Board. "I plan to continue as a supportive and collaborative shareholder of Cryptologic," commented Mr. DeMichele. The Company would like to thank Mr. DeMichele for his valuable contribution and years of service.

Further information about Cryptologic can be found on the Company's corporate profile on SEDAR at www.sedar.com.

For information or interview please contact:

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About Cryptologic Corp.

Cryptologic Corp., currently a cryptocurrency mining company that is focused on divesting of its crypto mining assets and exploring an acquisition opportunity in the cannabis industry.

Forward Looking Information

This news release includes forward-looking information and statements, which may generally be identified by the use of the words "proposed", "expects", "may" and "intends" and variations or similar expressions which include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Such statements include those relating to the terms and completion or non-completion of the proposed transaction with Cryptologic, the rate of interest applicable to the bridge loan from time to time, the potential for discussions with other third parties following December 16, 2019 and the potential non-completion fee payable by Wayland in the event such discussions occur. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Such assumptions, risks, uncertainties and other factors include, but are not limited to, that the proposed transaction with Cryptologic will be completed on the timelines or on the terms anticipated by the Company or at all such that no increased interest or non-completion fee becomes payable, that the Company will be able to deploy the funds received pursuant to the loan in the manner, to the effect and on the timelines anticipated and that the Company's financial, operational and capital requirements can be met in the manner and on the timelines anticipated or at all. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.

