



BLOCKStrain Partners with Spire Secure Logistics to Bring Proprietary 'Genome to Sale' Technology to Governments

VANCOUVER, July 18, 2018 /CNW/ - **BLOCKSTRAIN TECHNOLOGY CORP.** (the "**Company**" or "**BLOCKStrain**") (**TSXV: DNAX**) is pleased to announce that the Company has entered into a memorandum of understanding dated July 16, 2018 (the "**MOU**") with Spire Secure Logistics Inc. ("**Spire**"), a wholly-owned subsidiary of Friday Night Inc. (CSE: TGIF), to introduce and implement the proprietary BLOCKStrain platform to governments throughout Canada, as well as to procure software contracts and commercial agreements with regulatory bodies and licensed producers within the Canadian legal cannabis industry.

BLOCKStrain and Spire have agreed to collaborate on the design and implementation of security programs and infrastructure for the legal distribution and sale of cannabis. This strategic partnership is being launched with the intent to integrate the benefits of the BLOCKStrain platform into the regulatory framework for medical and adult-use cannabis in Canada.

Spire is a high-level advisory firm that supports clients across the globe in government, finance, resources, heavy industry, and the emerging legal cannabis sector. As a leading provider of strategic advisory services for the legal cannabis industry, Spire has worked closely with governments and companies to design and build security programs and solutions for the sector. Spire intends to work with provincial governments and other regulatory authorities to develop and implement policies and protocols for both retail and online sales of cannabis, focusing on the prevention of organized crime infiltration and black-market diversion.

BLOCKStrain is a technology company based in Vancouver, BC, which has developed a proprietary enterprise software platform that can verify and track cannabis products through an intelligent, blockchain-protected database of strain genetics. By registering the genetic identity of a batch of legal cannabis via a DNA Passport™, BLOCKStrain can automate the task of 'gene-to-sale' tracking and showcase where each verified product was grown, manufactured, shipped and sold. The system is also designed to differentiate between legal cannabis and black-market cannabis by giving consumers, producers and regulators real time information about verified products. This data is stored and managed by a dynamic real-time, blockchain enabled system that can give real time reporting to provincial and federal regulators.

Led by former policy and military experts, Spire builds on decades of combined military, policy and law enforcement experience in organized crime, high-risk security and intelligence. CEO, Andy Richards, is a 34-year veteran police officer who specialized as an investigator, supervisor and manager of complex covert investigations. He led many of the largest, most successful organized crime investigations in British Columbia, a number of which focused on organized crime groups and prolific offenders who controlled or targeted elements of the illegal and grey cannabis markets. These investigations led to meaningful tactical and strategic relationships with law enforcement agencies across Canada and around the world.

"Spire is amongst the global leaders in providing regulatory and security programming for the cannabis industry, and BLOCKStrain provides an automated, intelligent and secure software solution that verifies and tracks cannabis products through an immutable record of legal genetics," said BLOCKStrain CEO, Robert Galarza. "Together, we are determined to provide a world-class solution in cannabis logistics security to our customers."

"This partnership is a natural extension of Spire's work in providing advice to governments and security to the regulated cannabis industry," said Spire CEO, Andy Richards. "When we saw what BLOCKStrain had created, we understood immediately that this technology has the potential to become a central security and regulatory solution for the cannabis sector."

The MOU initially provides for the grant of an exclusive right to Spire to introduce BLOCKStrain's technology to one provincial government. If an agreement is entered into with that government, BLOCKStrain will grant Spire the exclusive right to introduce BLOCKStrain's technology to governmental authorities of such other Canadian province(s) and international jurisdictions as may be mutually agreed to by the parties. It is expected that BLOCKStrain will grant Spire stock options and pay Spire a commission in connection with each such agreement, on terms to be agreed to by the parties.

Formalization of the relationship between the companies is subject to entry into of a definitive agreement and, if required, the approval of the TSX Venture Exchange.

ON BEHALF OF THE BOARD OF DIRECTORS

"Robert Galarza"

Robert Galarza
Chief Executive Officer and Director

About BLOCKStrain Technology Corp.

BLOCKStrain Technology Corp. (TSX-V: DNAX.V) has developed the first integrated blockchain platform that registers and tracks intellectual property for the cannabis industry. Strain protection and genetic identification are major issues for growers and breeders, and this new technology allows them to identify and secure rights to their valuable intellectual property. The BLOCKStrain platform also streamlines the administrative process of genetic and mandatory quality-control testing for legal cannabis.

About Spire Secure Logistics Inc.

Spire provides strategic security consulting in Canada, the United States and Latin and South America to licensed producers and ancillary businesses in the cannabis sector. Formed almost three years ago by Andy Richards and Jeff Meyers, two career law enforcement professionals well acquainted with organized crime and both the illicit and legal cannabis industry, Spire has quickly become a leading firm for companies looking to ensure their operations adhere to government regulations around security and are best equipped to deter the infiltration of organized crime and black-market diversion. Spire is led by experts with international backgrounds in covert and undercover operations to infiltrate and disrupt organized crime, including outlaw motorcycle gangs, cartels and other violent gangs. Members of the Spire team have been involved with policy, compliance, and law enforcement in the regulated cannabis industry since its earliest days.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Statements

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Company's future business plans. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward-looking statements in this news release include statements relating to the expected benefits of, and impact on, the partnership for

BLOCKStrain and Spire; the expected terms of, and compensation with respect to, the partnership; the ability of the parties to successfully negotiate a definitive agreement with each other and with any governmental authorities; that the definitive agreement may be subject to the approval of the TSX Venture Exchange; that BLOCKStrain's technology has the capacity to become a central security component of the cannabis logistics industry; the expected security and other benefits of BLOCKStrain's technology generally. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including that: the parties may be unable to successfully negotiate or enter into any definitive agreement with each other or with any governmental authorities; BLOCKStrain's platform may not operate as expected; the parties may not derive the expected benefits from use of the BLOCKStrain platform; legislative changes may occur that negatively impact the business of BLOCKStrain and/or Spire; the TSX Venture Exchange may not approve the definitive agreement; and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are urged to consider these factors carefully in evaluating the forward-looking statements contained in this news release and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements in this news release are made as of the date hereof and the Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results, or otherwise, except as required by applicable securities laws.

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For further information: please visit the Company's website at: www.blockstrain.io or contact Al Olson at (425) 985-6451 or email at al.olson@blockstrain.io.

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