
NEWS RELEASE

COMPANY ANNOUNCES PROPOSED ACQUISITION OF eXeBlock TECHNOLOGY INC. A BLOCKCHAIN TECHNOLOGY AND SOFTWARE DEVELOPMENT COMPANY

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August 21, 2017

Vancouver, British Columbia – 1040433 B.C. Ltd. (“**1040433**” or the “**Company**”), is pleased to announce that it has entered into a letter of intent dated August 16, 2017 (the “**LOI**”) relating to the acquisition of eXeBlock Technology Inc. (“**eXeBlock**”), a private corporation existing under the laws of Canada (the “**Acquisition**”). The Acquisition will be effected through an exchange of securities with all of the securityholders of eXeBlock (the “**Transaction**”). The principal business carried on by eXeBlock is the development and operation of blockchain software, also known as decentralized applications or DAPP.

eXeBlock’s President and CEO Jonathan Baha’i was the founder and principal designer of PeerPlays, a leading blockchain technology or DAPP designed to be used widely throughout in the gaming industry. Alexei Dulub, lead front-end programmer in the development of PeerPlays, will be a key member of eXeBlock’s senior management team. eXeBlock employs a team of blockchain programmers currently developing two innovative blockchain DAPPs. eXeBlock will release proof of concept and white papers outlining the operating parameters of the first DAPP by the end of the calendar year, and the second in the first half of next year. Specifics relating to the DAPP’s purpose, market potential and operating protocols will remain confidential until the white paper release date. Further, eXeBlock has plans to launch a minimum of two blockchain based DAPP each year.

The LOI includes:

- 1040433 will acquire all of the issued securities of eXeBlock. The intent of the parties being that all common shares of eXeBlock prior to the closing of the Transaction will be exchanged for common shares of 1040433 on the basis of two 1040433 shares for each eXeBlock share. eXeBlock currently has 19,050,000 shares outstanding with no warrants or options. The Company will issue 38,100,000 common shares to the shareholders of eXeBlock, representing approximately 87.2% of the issued and outstanding common shares of the Company after completion of the Acquisition. The Company currently has 5,396,000 shares outstanding and 2,500,000 share purchase warrants.
- 1040433 will change its corporate name to eXeBlock Technology Inc. Upon closing of the Transaction, the Board of Directors will consist of four (4) directors, comprised of three (3) nominees from eXeBlock and one (1) nominee from 1040433.
- Post closing, eXeBlock intends to complete a non-brokered private placement. The investment will be led by the Toronto-based PowerOne Capital Group and include Halifax-based Numus Capital for up to 10,000,000 common shares of eXeBlock at a price of \$0.35, to raise aggregate gross proceeds of up to \$3,500,000 (the “**Private Placement**”). The net proceeds from the Private Placement will be used by eXeBlock to fund its software development. In connection with the Private Placement, eXeBlock will pay to

arm's length finders a finder's fee comprised of cash fee equal to 7.5% of funds related to investments in eXeBlock and warrants representing 7.5% of the number of shares issued as introduced by finders in the Private Placement of eXeBlock.

- eXeBlock plans to complete an initial listing on the Canadian Securities Exchange (the "**Exchange**" or "**CSE**"), pending Exchange and regulatory approval.

About 1040433 B.C. Ltd.

The Company is incorporated in British Columbia and does not currently have any ongoing operations and has no material assets other than cash.

Except for statements of historical fact, all statements in this press release, including, but not limited to, statements regarding future plans, objectives and payments are forward-looking statements that involve various risks and uncertainties.

For More Information

For more information about 1040433, please contact:

"Eugene Beukman"

Eugene Beukman,
Director

For more information about eXeBlock, please contact

Jonathan Baha'i
President & Chief Executive Officer
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Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

The Exchange has in no way passed on the merits of the proposed Transaction and has neither approved or disapproved the contents of this press release.

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

FORWARD LOOKING INFORMATION

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-

looking statements and information in this press release includes information relating to the Acquisition (including the structure of the Acquisition), the Transaction (including shareholder approval, shareholder support, and other terms), the Private Placement (including its completion and the use of proceeds from the Private Placement), the directors and management of the resulting issuer upon completion of the Transaction, and the implementation of eXeBlock's business plan. Such statements and information reflect the current view of the Company with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: risks associated with the completion of the Transaction and matters relating thereto; and risks associated with the marketing and sale of securities, the need for additional financing, reliance on key personnel, the potential for conflicts of interest among certain officers or directors, and the volatility of the Company's common share price and volume. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

There are a number of important factors that could cause the Company's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others, risks related to eXeBlock's proposed business such as failure of the business strategy and government regulation; risks related to eXeBlock's operations, such as additional financing requirements and access to capital, reliance on key and qualified personnel, insurance, competition, intellectual property and reliable supply chains; risks related to eXeBlock and its business generally such as infringement of intellectual property rights and conflicts of interest. The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. While the Company may elect to, it does not undertake to update this information at any particular time.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS PRESS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.