

Lynx Global Signs Definitive Agreement to Acquire a Controlling Interest in Philippine Based EMI-Bank

Vancouver, British Columbia--(Newsfile Corp. - July 8, 2021) - **Lynx Global Digital Finance Corporation (CSE: LYNX) (OTC Pink: CNOF) (FSE: 3CT0) ("Lynx" or the "Company")** is pleased to announce that it has signed a definitive share purchase agreement (the "**Agreement**") in connection with its previously disclosed (see May 13, 2021, news release) acquisition (the "**Acquisition**") of 100% of the issued and outstanding shares of Ausphil Technologies Pty. Ltd. ("**Ausphil**"), an Australian private company, that holds a 52.15% equity interest in a Philippines licensed financial institution, **Binangonan Rural Bank Inc. ("BRB" and/or the "Bank")**, (the "**Transaction**").

"Upon closing, this acquisition will provide our organization a controlling interest in BRB, a licensed rural banking institution in the Philippines. The addition of a licensed bank with an Electronic Money Institution license to our Lynx Payment ecosystem will enable us to offer a complete suite of payment and financial services to domestic and international enterprises. It will further allow our organization to support true financial inclusion through the seamless integration of the existing financial infrastructure to the new digital economy through a complete suite of payment methods," stated Michael Penner, CEO of Lynx.

ABOUT BRB

Binangonan Rural Bank Inc. started as a rural bank in the Philippines in October 1961. In August 2017, BRB secured an Electronic Money Issuer (EMI) license, allowing it to offer e-money services to its customers. E-money is a monetary value electronically stored in convenient payment instruments that consumers can use to buy or pay for goods and services, to transfer or remit funds, and/or to withdraw funds. Such instruments include cash cards, e-wallets accessible via mobile phones, stored value cards, and other similar products. **BancNet**, to which BRB is a registered member, is the Philippines' single ATM switch operator. It enables its members' customers to transact at ATMs, point-of-sale terminals, the internet, and mobile phones. BRB is additionally a participant of the **Philippine Payments Settlements System (PhilPaSS)**. This system will help in processing and settling interbank high value payment transactions through the demand deposit accounts of the bank maintained with the BSP.

Transaction Closing Financial Metrics

The Acquisition is expected to close on or before July 15, 2021, or such other date as may be mutually agreed to by the parties (the "**Closing Date**"). Pursuant to the Agreement, on the Closing Date, the Company will acquire 100% of the issued and outstanding shares of Ausphil in exchange for 2,543,897 common shares of the Company (the "**Consideration Shares**") to the current shareholders of Ausphil, in addition to aggregate cash payments of USD\$565,600. An additional USD\$232,733 is due and payable 30 days following the Closing Date and USD\$86,250 due and payable on December 1, 2021. Lynx will issue 1,775,000 share purchase warrants (the "**Consideration Warrants**") entitling the holders to purchase an additional 1,775,000 common shares of Lynx ("**Shares**") at a price per Share of \$1.24. The Consideration Warrants will expire 24-months from the date of issuance. Certain additional shares of Lynx may be payable in the event that the Bank achieves certain agreed financial milestones.

Upon closing, Lynx has also agreed to purchase debt owing by Ausphil to certain creditors, in the aggregate principal amount of USD\$1,136,496, through the issuance of 1,269,433 common shares of the Company (the "**Debt Consideration Shares**") and a cash payment of USD\$276,667, due and payable 10 business days following the Closing Date.

The Consideration Shares, Debt Consideration Shares and any Shares issued upon exercise of the Consideration Warrants are subject to regulatory and voluntary pooling restrictions on resale in the

following aggregate amounts until the following dates: (a) 65% of the Consideration Shares, Debt Consideration Shares and any Shares issued upon exercise of the Consideration Warrants, shall be subject to restrictions on resale until the date which is four months plus one day from the Closing Date; (b) an additional 15% of the Consideration Shares and Debt Consideration Shares and an additional 15% of any Shares issued upon exercise of the Consideration Warrants, shall be subject to restrictions on resale until the date which is 6 months from the Closing Date; (c) an additional 10% of the Consideration Shares and Debt Consideration Shares and an additional 10% of any Shares issued upon exercise of the Consideration Warrants, shall be subject to restrictions on resale until the date which is 9 months from the Closing Date; and (d) an additional 10% of the Consideration Shares and Debt Consideration Shares and an additional 10% of any Shares issued upon exercise of the Consideration Warrants, shall be subject to restrictions on resale until the date which is 12 months from the Closing Date. 100% of the Consideration Shares, Debt Consideration Shares and any Shares issued upon exercise of the Consideration Warrants will also be subject to a statutory hold period of four months and one day from the Closing Date.

In connection with the Transaction, the Company will issue 158,994 common shares of the Company as a finder's fee (the "**Finder's Fee**"). All such shares issued as part of the Finder's Fee are subject to the same resale restrictions as the Consideration Shares as set out above.

The Acquisition does not constitute a fundamental change for the Company and does not result in a change of control of the Company within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange.

ABOUT LYNX DIGITAL GLOBAL FINANCE:

Lynx seeks to become a leader in financial technology, solutions, and services for large-scale merchants, financial institutions and other B2B industry partners by way of integration to the Lynx digital payment platform. The Company's payment solutions are powered by a broad suite of payment technologies and services. The Company has targeted banking and fintech relationships in ASEAN and Oceania, a region with a population approaching 700 million, that can provide Lynx a financial network hub location to service and operate a global traditional and digital financial infrastructure. By working with selected banking and/or licensed EMI partners, the Company will be able to offer a digital payment platform with a full suite of payment solutions, which may include merchant acquiring solutions; card issuing; remittance and forex; and custodial digital asset services, including digital wallet services. The Company seeks organic growth while investigating potential strategic acquisitions that may contribute critical technology applications, additional services, and revenue streams, and that can complement or enhance existing offerings and potentially increase or expedite the path to future profitability. While Lynx believes that significant near-term opportunities exist for the Company's strategic initiatives, there can be no assurance that goals and objectives will be reached or that any such underlying efforts or agreements will provide successful or positive outcomes should they be implemented.

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NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDERS HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

FORWARD-LOOKING STATEMENTS: Certain information contained herein may constitute "forward-looking information" under Canadian securities legislation, including the closing of the acquisition of Ausphil by the Company, the described initiatives of BRB and the goals and objectives of Lynx. *The economic materiality of the acquisition of a controlling interest in BRB is unknown due to the contingent nature of results that may be generated. At this point in time, Lynx considers the BRB*

acquisition is unlikely to yield a substantial short-term economic benefit for Lynx or BRB, however, Lynx and BRB consider that the business relationship supports the organization's strategic growth plans. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, "will be", or variations of such words and phrases or statements that certain actions, events, or results "will" occur. Forward-looking statements are based on the Company's estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of Lynx to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including capital expenditures, other costs, or implied future forecasts. The Company further again cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history and the need to comply with environmental and governmental regulations. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information. Lynx will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.

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