
NEWS RELEASE

SQID TECHNOLOGIES LIMITED

March 23, 2020 – Wacol, Queensland, Australia. – SQID Technologies Limited (CSE: SQID) (“SQID or the “Company”).

Further to the previous announcement on February 24, 2020, the company is pleased to advise that the company and Peter Hall have now agreed the commercial terms of Peter’s consulting agreement to assist the company with key customer account management and operational support into the future. The tenure of Peter’s consulting agreement provides an initial term up until December 30, 2020, with an option to extend for a further 12 months after that. The financial terms of his consulting agreement are confidential, but those terms have been based on an appropriate review of external arm’s length commercial terms, including the current state and needs of the business.

Further to the February Form 7 Monthly Progress Report, published March 2, 2020, given the current issues facing all business with COVID-19 and the need to ensure ongoing stability in the executive leadership, the Board and Peter Hall have agreed to bring Peter’s retirement as CEO of the company forward from the previously published date of April 24. Peter’s retirement as CEO is effective as at the date of this News Release, and the Board is pleased to advise that Athan Lekkas will now take on the role as CEO. Athan will undertake his role as CEO as well as continuing as Chairman – effectively becoming the Executive Chairman immediately. The remuneration of Athan Lekkas in his role as Chairman / CEO is on the same terms as originally detailed in the prospectus of SQID per the same role(s) and responsibilities as initially undertaken by Peter Hall.

Review of Operations given potential impact of COVID-19.

As SQID’s business model is based on ‘card not present’ credit card transactions, SQID is fortunate that its business model does not rely on ‘face to face’ customer relationships. Whilst it is still too early to gauge the impact on our customers business that uses the SQID ‘card not present’ payment platform, early indications are that there is some reduction to volume of transactions being processed by SQID. SQID is fortunate that our operational business team is remotely located across numerous locations and able to continue to work remotely. Hence, SQID is able to continue to monitor its business transaction volumes as required, and will be able to undertake updates to the market as required.

Further updates will be made to the market in due course.

About SQID Technologies, in detail

SQID’s software platform enables merchants to receive debit or credit card payments online by providing a connection to an acquiring bank (“Acquirer”) which is a registered member of a card network such as Visa or MasterCard (“Card Network”). The “Card Network” connects “Acquirers” to a customer’s bank (“Issuing Bank”) so that a customer transaction can be verified. When a customer uses a debit or credit card for a purchase, the “Acquirer” will approve or decline the transaction based on the information the Card Network and Issuing Bank have on record about that cardholder’s account. The merchant submits the purchase transaction information to the payment processor (“SQID”) used by its “Acquirer” via a payment gateway SQID’s software) that facilitates the communication of transaction information.

SQID’s technology provides merchant services and transaction processing to business merchants and ecommerce customers across both ‘Business to Business’ (B2B) and ‘Business to Consumer’ (B2C) segments to bridge both retail and wholesale transactions through its platform. Its technology is powerfully structured to allow layered access to payment and merchant transaction data, and integrates these retail and wholesale layers (creating many separate customer nodes within the network), providing split settlements between each layer. This provides a broad platform for commission structures and transaction-based rewards that are settled at the same time as the underlying transaction is settled. The business model is applicable to significant business channels including affiliate marketing, rewards programs, franchises, marketplace apps, agencies, etc.

As a “Payment Processor”, SQID has contracts with merchants to handle transactions from various channels such as credit and debit cards. SQID receives a merchant fee, which is a percentage of the transaction value and also in some cases, a fee per transaction

On behalf of the board of directors of

SQID TECHNOLOGIES LIMITED.

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THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

FORWARD LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. The Company is providing cautionary statements identifying important factors that could cause the Company’s actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as “may”, “anticipates”, “is expected to”, “estimates”, “intends”, “plans”, “projection”, “could”, “vision”, “goals”, “objective” and “outlook”) are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the Company. These forward-looking statements include, among other things, statements relating to the ability of the Company to generate revenue; use of funds, intentions to further develop, market and promote its operations by expansion of its merchant base and industries served in Australia; strategy for customer retention, growth, service development, market position and financial results, the success of marketing and sales efforts of the Company, the Company’s efforts to continuously update its software to meet business requirements, future sales plans and strategies, the economy and other future conditions, the timeline to further develop and market future enhancements; unanticipated cash needs and the possible need for additional financing and the adoption of governance policies, committees and practices.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to: a downturn in general economic conditions; the ability of the Company to continue to generate revenue adequate to fund its business plans and operations; the ability of the Company to expand its operations in Australia; competitive conditions in the industry which could prevent the Company from continuing to be profitable; competition from other payment process providers who are well established with the financial capacity to overwhelm the ability of the Company to operate in Australia, security risks, increasing costs of being a publicly traded company, the possibility that our services may become further regulated; the effectiveness and efficiency of advertising and promotional expenditures to generate market interest in the Company’s products and services; volatility of the Company’s share price; liquidity the inability to secure additional financing; the Company’s intention not to pay dividends in the near future; claims, lawsuits and other legal proceedings and challenges; conflict of interest with directors and management; and other factors beyond the Company’s control.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.