



Q1 2020 Interim Financial Results

-FOR IMMEDIATE RELEASE-

Montréal, June 11, 2020 – **ZeU Crypto Networks Inc. (CSE: ZEU)** would like to inform its shareholders that it has posted its Interim Financials Statements for the first Quarter of 2020 and corresponding Management Discussion & Analysis on SEDAR.

As previously announced by way of a press release on April 27 and on June 4, 2020, the Corporation has elected to rely on the exemption provided in British Columbia Instrument 51-515 *Temporary Exemption from Certain Corporate Finance Requirements* (and similar exemptions provided by other Canadian securities regulators) to postpone the filing of these documents.

Until the Corporation has filed the Documents, members of the Corporation's management and other insiders are subject to a trading blackout reflecting the principles contained in section 9 of National Policy 11-207 *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions* such that they are in a blackout period until the end of the second trading day after the Documents have been disclosed by way of a news release.

Management expects that all restrictions in regard to National Policy 11-207 should now be lifted.

Recent global events pertaining to COVID-19 have impacted the Corporation, its employees, and its ability to rely on timely information in relation to its financial reporting obligations. The Corporation continues to pursue the best available paths to manage operational risk and preserve capital during this challenging time, which includes but is not limited to the suspension of all compensation to management and directors.

FINANCIAL RESULTS OVERVIEW

Results of Operation

For the period ended March 31, 2020, the Company had revenues of \$85,000 (2019 - \$nil), and the Company recorded a net loss of \$1,046,008 (2019 – \$387,320) and had accumulative deficit of \$10,405,521 (2019 - \$4,303,185).

Summary of the Quarterly Results

The following table outlines selected unaudited financial information of the Company for the last eight quarters.

	<i>Mar.31,</i> <i>2020</i>	<i>Dec.31,</i> <i>2019</i>	<i>Sept.30,</i> <i>2019</i>	<i>Jun.30,</i> <i>2019</i>
Total assets	21,862,830	22,417,196	868,853	2,005,603
Working capital (deficiency)	6,993,018	5,445,679	(5,405,785)	496,294
Shareholders' equity (deficiency)	13,371,628	14,399,386	(5,185,785)	(4,134,507)
Revenue	85,000	-	-	-
Net income (loss)	(1,046,008)	(3,692,093)	(1,051,278)	183,238
Net income (loss) per share	(0.04)	(0.18)	(0.05)	0.01

	<i>Mar. 31,</i> <i>2019</i>	<i>Dec. 31,</i> <i>2018</i>	<i>Sept.30,</i> <i>2018</i>	<i>Jun.30,</i> <i>2018</i>
Total assets	1,421,384	1,247,185	2,103,417	161,027
Working capital (deficiency)	236,059	684,368	1,514,491	(263,537)
Shareholders' equity (deficiency)	(4,303,185)	(3,494,957)	(3,269,201)	(263,537)
Revenue	-	-	-	-
Net income (loss)	(387,320)	(1,152,655)	(2,999,569)	(118,736)
Net income (loss) per share	(0.02)	(0.01)	(0.15)	(0.00)

Major variances in expenses were as follows:

- Accretion and interest expenses were \$282,106 (2019 - \$179,871);
- Compensation expenses were \$nil (2019 - \$33,609);
- Consulting fees were \$21,730 (2019 - \$6,560);
- Management fees were \$85,807(2019 - \$66,875);
- Marketing and promotion fees were \$11,646 (2019 - \$nil);
- Professional fees were \$7,002 (2019 - \$5,000);
- Research and development expenses were \$236,294 (2019 - \$89,717).

During the three months ended March 31, 2020, the Company recognized a gain of \$332 (2019 - \$nil) on payments with Ether coins and the Company recorded an unrealized loss on digital assets of \$487,241 (2019- \$47,209 gain) as a result of general market changes in the digital assets held. The Company also recorded a gain on redemption of convertible debenture. During the three months ended March 31, 2020, the Company recorded a revenue of \$85,000 on the development of Borealis Derivative Marketplace.

ON BEHALF OF THE BOARD OF DIRECTORS

“Mark Billings”

Mark Billings
Director & CFO

About ZeU

ZeU is a forward-thinking Canadian technology company that has developed a state-of-the-art blockchain protocol, providing the foundation for the next-generation of encrypted and distributed networks. Thanks

to its high level of sophistication, ZeU's technology maximizes transparency, security and scalability as well as big data management. ZeU's strategy is to monetize blockchain transactions in diverse sectors such as payment, gaming, data, and healthcare.

The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.