

SQUIRE MINING LTD.

NEWS RELEASE

SQUIRE ANNOUNCES CHANGE OF BUSINESS; ARRANGES C\$25,500,000 FINANCING

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VANCOUVER, B.C., Squire Mining Ltd. (CSE: SQR) – July 5, 2018 – The Company announces that, subject to shareholder and regulatory approvals, it is undertaking a change of business (the “**Change of Business**”) from a mineral exploration company to a developer and manufacturer of data mining infrastructure and system technology to support global blockchain applications in the mining space.

In March, 2018, the Company announced that it had entered into a letter agreement with Peter Kim “**Kim**”) to undertake the joint design, development and manufacture of ASIC (application specific integrated circuits) chips for mining bitcoin and other cryptocurrencies.

The recent rapid growth in the blockchain and digital currencies sectors present clear opportunities for new solution providers developing next generation infrastructure and system technology. After conducting extensive investigation and due diligence, the Company believes that next generation ASIC chips and system architecture are a central part of the foundation for this rapidly emerging industry.

In accordance with the letter agreement with Kim, the Company has established Aracore Technology Corp. (“**Aracore**”) as a joint venture company to design, develop and manufacture ASIC chips specifically for mining bitcoin and other cryptocurrencies. The Company currently owns 66 2/3% of Aracore and Kim owns 33 1/3% of Aracore. The Company has agreed to fund up to US\$3,000,000 towards the design, development and manufacture of an initial ASIC chip, after which time the Company’s interest in Aracore will automatically increase to 75% and Kim’s interest will be reduced to 25%. Kim is also entitled to a royalty on gross revenues generated from the sale of ASIC chips by Aracore equal to 1.25% until the Company has recovered 100% of its capital contributions to Aracore and 2.5% thereafter. A development team has been assembled and is currently working on the design and development of next generation ASIC chips.

In conjunction with the development of its initial ASIC chip, the Company intends to develop its own “rig” designed around the new chip to mine bitcoin and is currently establishing strategic partners to manufacture, assemble and distribute its ASIC chips and mining rigs on a worldwide basis.

In May, 2018 the Company announced that it had completed a non-brokered private placement of 13,174,500 units at a price of \$0.25 per unit for gross proceeds of \$3,293,625, a portion of which was allocated towards the design and development of an initial ASIC chip. In conjunction with the Change of Business, the Company intends to re-allocate proceeds from this private placement towards the design and development of ASIC chips and mining rigs and for general working capital purposes.

In order to further fund the Change of Business and the development and manufacture of the Company’s initial ASIC chip and mining rig, the Company has negotiated a non-binding term sheet with certain arm’s length third parties to raise, subject to conditions, a total of C\$25,500,000 by way of a non-brokered private placement of 63,750,000 units (“**Financing Units**”) at a price of C\$0.40 per Financing Unit (the “**Financing**”). Each Financing Unit will consist of one common share and one-half (1/2) of one

share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share of the Company at a price of C\$0.80 for a period of two years after closing of the Financing.

The Financing is subject to a number of conditions including, but not limited to, the completion of satisfactory due diligence, the appointment of one nominee of the lead subscriber to the board of directors of each of the Company and Aracore, the execution and delivery by Aracore of definitive agreements for the manufacture of ASIC chips and assembly of mining rigs with certain third parties on acceptable terms and regulatory approval for the Change of Business. It is also a term of the Financing that any subscriber owning more than 10% of the issued and outstanding shares of the Company from time to time will have the right to participate, on a pro rata basis, in any future private placement or public financing of equity or convertible debt securities of the Company.

The Financing is also conditional upon the Company entering into an exclusive marketing and sales distribution agreement with an agreed upon third party for the marketing, sale and distribution of the Company's ASIC chips and mining rigs on a worldwide basis. The marketing and sales agreement will be subject to certain minimum purchase requirements and for an initial term of three years, extendable to five years on satisfaction of certain performance criteria, with automatic rights of renewal thereafter subject to conditions.

A finder's fee of 1.5% of the gross proceeds of the Financing will be payable to an arm's length third party, which fee will be paid in full by the issuance of Financing Units.

All securities issued in connection with the Financing will be subject to a four month hold period from the date of issue thereof.

It is anticipated that a "related party" of the Company as such term is defined under Multilateral Instrument 61-101, Protection of Minority Security Holders in Special Transactions, will participate in the Financing and, if such is the case, the Company intends to rely upon the exemptions from the requirement to obtain a formal valuation and seek minority shareholder approval for the Financing by way of a special meeting of the Company's disinterested shareholders on the basis that the fair market value of the related party's participation in the Financing will not exceed 25% of the Company's current market capitalization.

It is also anticipated that the Company's current board of directors and management will remain the same following the Change of Business, subject to the appointment of the lead subscriber's nominee to the board.

As of June 30, 2018, there were 54,688,081 common shares of the Company issued and outstanding and it is anticipated that upon completion of the Change of Business and Financing there will be approximately 118,438,081 common shares outstanding on a non-diluted basis. In addition, a total of 3,000,000 stock options are being granted to certain directors, officers and consultants of the Company in conjunction with the Change of Business and Financing, each option entitling the holder to purchase one common share of the Company at an exercise price of \$0.40 for a period of two years.

The Change of Business is subject to the approval of the Company's shareholders and the acceptance of the Canadian Securities Exchange (the "CSE"). In accordance with the policies of the CSE, the Company expects to file an updated Form 2A Listing Statement (the "**Listing Statement**") with respect to the Change of Business within the next week and upon conditional acceptance of the CSE, the Company will post the Listing Statement on the CSE website and seek the consent of a majority of the Company's shareholders for the Change of Business by way of written consent resolution.

Closing of the Change of Business and Financing is expected to occur on or about August 1, 2018.

Completion of the Change of Business is subject to a number of conditions, including but not limited to, CSE acceptance and shareholder approval. The Change of Business cannot close until the required shareholder and regulatory acceptance is obtained. There can be no assurance that the Change of Business will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Listing Statement to be prepared in connection with the Change of Business, any information released or received with respect to the Change of Business may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The Canadian Securities Exchange has in no way passed upon the merits of the proposed Change of Business and accepts no responsibility for the adequacy or accuracy of this news release.

For further information contact: Simon Moore, President and Chief Executive Officer
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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking information" under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements regarding the proposed Change of Business, the Financing and the proposed use of proceeds therefrom. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, risks related to chip and rig design, development and manufacturing, technological change, obsolescence and the marketability of any chips or rigs developed by the Company. Actual results and future events could differ materially from those anticipated in such forward looking information. There are no assurances that the Company will successfully complete the Change of Business and Financing or design and develop of a commercially viable ASIC chip or mining rig as contemplated. Accordingly, readers should not place undue reliance on forward-looking information. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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