

January 28, 2020



Boardwalktech Announces Further Debt Reduction and Provides Corporate Update

Pipeline increases 35% to \$7.1M, plus progress on \$1.2M of savings towards positive Adjusted EBITDA

CUPERTINO, CA, Jan. 28, 2020 /CNW/ - (TSXV:BWLK, OTCQB:BWLKF) - Boardwalktech Software Corp ("Boardwalktech") announced that it continues to decrease its aggregate debt with an approximate US\$500,000 reduction of principal owed to SQN Venture Income Fund LP ("SQN"). The outstanding liability on the debt held by SQN now totals approximately USD\$4.4 million with the Company targeting further reductions over the course of 2020, including the pending close of its previous announced conversion of approximately USD \$1 million. In addition, the Company announced further financial developments supporting its previously outlined strategy of achieving profitability in fiscal year 2020.

"SQN's long-term relationship began in early 2016, as both a debt provider of growth capital and equity investor to Boardwalktech," said Ryan McCalley, Managing Partner and Founder of SQN Venture Partners. "The company under Mr. Duncan's management has done a tremendous job managing growth and expenses as a newly publicly listed company, all while continuing to innovate its core enterprise software platform to meet the needs and demands of its impressive customer base, with net positive year over year revenue contribution. As a long-term financial partner to Boardwalktech, we look forward to the continued and forthcoming successes and are finalizing the debt for shares conversion to further support the Company's path to achieving profitability."

In other news, Boardwalktech continues to see better visibility given increased demand for its proprietary digital ledger platform, with a growing list of prospective enterprise clients posed to close new platform licenses and applications. The Company's corporate six-month pipeline (new projects and licenses anticipated to close over the next six months) has increased 35% to USD\$7.1 million, from a USD\$5.3 million level at the time the Company reported its last interim financial report in November, 2019.

Lastly, given the business growth and continued expense controls, the Company continues to track to achieving positive EBITDA this Spring and profitability shortly thereafter. As previously disclosed, the Company continues to implement a program to realize approximately USD\$1.2 million of annual cost savings, through a reduction of consultants, lower professional fees, better vendor pricing, and reduction of fixed salaries plus deferred compensation by senior management (of which a portion will be converted into equity upon achieving certain cash, profitability, and project objectives).

The Company plans to provide more detail when it announces its third-quarter interim results (for the quarter ending December 31, 2019) in February.

"SQN remains a trusted capital source and partner for Boardwalktech, as we continue to see

expansion of our customer base," said Andrew T. Duncan, Chief Executive Officer of Boardwalktech Software Corp. "Our goal is to continue to reduce our debt as we achieve profitability. We appreciate the support of SQN as we work toward this milestone as well as their participation in our most recent round of financing."

Mr. Duncan continued, "The increase in pipeline to \$7.1 million reflects growing recognition and adoption of our proprietary Digital Ledger Platform, as we are seeing both untapped large enterprises and existing clients seek out Boardwalktech to explore how our Digital Ledger can improve the efficiency of their day to day operations. We are also making good progress on our previously announced goal for at least \$1.2 million in annual operating savings, which in conjunction with the business growth, should allow us to achieve Adjusted EBITDA breakeven by the end of fiscal year 2020 and become profitable going forward. This will be a major milestone for Boardwalktech, and we are proud of the work and dedication of the entire team to get to this point. As the enterprise migration toward Digital Transformation accelerates, Boardwalktech is in a prime position to capitalize on this opportunity, and we are excited about what that means for our company and its investors in the months and years to come."

About Boardwalktech:

Boardwalktech has developed a patented Digital Ledger Technology Platform that is in use today by 27 of the Fortune 500 running over 100 live mission-critical applications world-wide. This enterprise platform allows for multi-party collaboration, provenance, verification, and blockchain immutable transactions on a trusted, shared, and secured private permissioned digital ledger cloud service. The Boardwalktech platform allows rapid application development on any device or user interface and full integration with enterprise systems of record.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking information and statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information contained in this press release includes information relating to the reduction of the Company's debt in 2020, the conversion of outstanding debt into equity of the Company, the projected corporate six-month pipeline and the ability of the Company to achieve profitability in the future.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks,

uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements.

An investment in securities of the Company is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risk Factors" in the Company's filing statement dated May 30, 2018. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

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

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