

Online Blockchain PLC Corporate Update

05/06/2018 7:00am

UK Regulatory (RNS & others)

RNS Number : 2427Q

Online Blockchain PLC

05 June 2018

For immediate release

("Online" or the "Company")

Corporate Update

The Board of Online provides the following update on ongoing product development. There is a glossary in Appendix 1 of the announcement and which explains the technical terms or abbreviations used below.

As set out in the Company's recent general corporate update, dated 24 April 2018, Online has begun to work with teams of independent blockchain developers on new project initiatives and intended that Happypool.co (a mining pool developed by Online that enables miners to pool their computing power together to mine blockchains) would enable the development of additional blockchain support services, including providing mining support for a new coin or a new fork of an existing coin as in initial development stages, community support may be sporadic or non-existent. Online has, based on its experience in the development of PlusOneCoin, developed the software and a basic wallet for a further crypto-token, Brazio. Shareholders should note that the development of Brazio is still at the very early initial stage of development and launch, and further updates will be provided in due course.

Brazio has been developed by Online as a proof-of-work cryptocurrency (meaning that transactions are validated by mining), is based on a hard-fork from bitcoin source code and is targeted on the Brazilian market to be used as a transactional and payments token. Online is cooperating with ADVFN PLC ("ADVFN") on developing community support in Brazil and the initial marketing to create awareness will commence in June through ADVFN's Brazil platform. Online and ADVFN are each bearing their own costs in respect of their cooperation on the development of the Brazio at this stage, and while there are currently no financial arrangements between the two companies in respect of this project, it is anticipated that ADVFN may in time receive a marketing fee to be settled in Brazios on terms to be agreed.

Online is also planning to develop similar token products for other markets.

A copy of this announcement is available on the Company's website, at www.onlineblockchain.io.

Enquiries:

For further information please contact:

Online Blockchain PLC
Clement Chambers

+44 (0) 207 070 0909

Beaumont Cornish Limited (Nominated

Adviser)
www.beaumontcornish.com
Roland Cornish/Michael Cornish +44 (0) 207 628 3396
Smaller Company Capital Limited
(Broker) +44 (0) 203 651 2910
Jeremy Woodgate
Cassiopeia Ltd (Investor Relations) stefania@cassiopeia-ltd.com
Stefania Barbaglio

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. The person who arranged for the release of this announcement on behalf of the Company was Clement Chambers, Director.

Further details on Brazio

Brazios will be created as rewards to miners whenever the next set of transactions (a block) is verified by a miner or team of miners through a mining pool. The algorithm used for Brazio mining is expected to be resistant to dedicated mining hardware, such as ASIC, and therefore is targeted at mining by individuals using personal desk-top computers. The maximum supply is set at 207 million Brazios and 20% of the total supply has initially been pre-mined and retained by Online to use as payment for development, bounties and marketing. Thereafter, 10% of any Brazios awarded for mining each block will be awarded to Online to support the project, and the balance of the block reward will be awarded to the miner of the coin or split between the participants of a pool who mine the coin collectively. There is no intention to undertake any initial offering of the Brazio.

Forward looking statements

Certain statements in this announcement are or may be deemed to be forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe" "could" "should" "envisage" "estimate" "intend" "may" "plan" "will" or the negative of those variations or comparable expressions including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth results of operations performance future capital and other expenditures (including the amount, nature and sources of funding thereof) competitive advantages business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements including risks associated with vulnerability to general economic and business conditions competition environmental and other regulatory changes actions by governmental authorities the availability of capital markets reliance on key personnel uninsured and underinsured losses and other factors many of which are beyond the control of the Company. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions. The Company cannot assure investors that actual results will be consistent with such forward looking statements.

Appendix 1

Glossary of terms

ASIC ASIC is short for "application specific integrated circuit". An ASIC miner is a specialised blockchain mining device using chips specifically designed and

made to mine specific cryptocurrencies. They have no general purpose computing application.

Blockchain therefore
A distributed digital ledger in which data (and transactions) is recorded sequentially and permanently in blocks. Each new block is linked to the immediately previous block with a cryptographic signature, forming a chain so that peer-to-peer transactions can be facilitated,
validated and recorded without the need for a central third party. The distributed digital ledger is not hosted in one location, nor managed by a central party, but is shared and accessed by anyone with the appropriate permissions.

Crypto-currency or token
A cryptocurrency is a unit of accounting kept on a cryptocurrency blockchain which is a core part of the operating structure of that blockchain. A token is a unit of account kept via a blockchain but not necessarily
intrinsic to the blockchains operation such as the Ethereum blockchain which has a cryptocurrency called 'ethereum' but can keep track of tokens which can be recorded on the Ethereum blockchain that anyone can create, name and record a ledger of.

GPU
A graphics processor unit is a specialised general purpose computing device used to process fast graphics for graphic intensive computing, such as games or animation.
A GPU is a plug-in device used mainly with Windows PCs and can be used to mine blockchains as the devices contain general purpose mathematics engines which apply well to blockchain mining tasks.

Hard-fork
A hard fork is a permanent change to a blockchain's software system that materially affects the logic and mode of operation of that blockchain. A hard fork of a blockchain in effect creates a new system based on previous software and can be an update to an established
blockchain or create a separate novel one.

Mining
The process of using computer processing hardware to solve a cryptographic mathematical problem to verify and add newly hashed blocks to a public blockchain. Miners collect transaction fees for the transactions they confirm and are awarded bitcoins for each block they verify.

Mining Pools together
Mining "pools" are a network of miners that work to mine a block, then split the block reward among the pool miners. Mining pools enable miners to combine their resources to increase the probability of mining

a block.

Pre-mined

An amount of tokens mined from a blockchain before the blockchain is released on the internet.

Proof of work
puzzle

Proof of work is a mathematical puzzle that acts as a qualifying contest between blockchain miners to mine the next block in a blockchain. In a proof of work based blockchain, the first miner to complete the

is allowed to create the next block in the blockchain and receives the block reward as a prize. Proof of work secures the blockchain by enforcing a cost barrier on the mining participants who maintain the blockchain looking for compensation from the block reward.

Transaction
address
transaction

A transaction is when data is received by a token and validated on the blockchain. A blockchain

can have multiple receivers and transactions logged are for all receipt transactions.

ENDS