

We noticed that St-Georges Eco-Mining Corp. (“St-Georges”) issued a press release titled “St-Georges Eco-Mining Announces Termination of ZeU's Asset Purchase Agreement with Tiande and Updates Spin-Out Listing” (“Press Release”) posted on [Stockhouse.com](https://www.stockhouse.com) on Monday, August 13, 2018. We are sorry that St-Georges made misrepresentations and misleading implications in the Press Release and intentionally omitted to mention the serious misconduct and mismanagement of the management team of St-Georges and Zeu Crypto Networks Inc. (“ZeU”), completely disregarding the written disagreement and request for correction from Qingdao Tiande Technologies Limited and Beijing Tiande Technologies Limited’s (collectively “Tiande”) prior to releasing the announcement. To ensure correct understanding of the facts, Tiande explains and clarifies as follows:

### 1. The termination

According to the Assets Purchase Agreement dated February 23, 2018 (“APA”) and its Amendment dated May 14, 2018 (“Amendment”), ZeU failed to pay the purchase price (deliver to Tiande share certificates and warrant certificates) on May 31, 2018 (defined as “Closing Date”). Tiande has the right to unilaterally terminate the transaction for failure of a condition to be satisfied.

Nevertheless, Tiande did not do so and still made continuous efforts to negotiate with ZeU out of goodwill to facilitate the transaction. During the process, Tiande successfully financed 3936 ETH unilaterally, and financed around \$500,000 cash together with St-Georges/ZeU team. As far as we know, other financing by ZeU has not yet been received as promised. Despite of the failure to ensure financing as planned, ZeU occurred a large sum of costs and expenses which ZeU was reluctant to disclose to Tiande (please refer to this issue in item 4 in detail). St-Georges was not willing to either disclose the contracts, loans and invoices, or set ZeU debt free to the new ZeU management. Thus, when Tiande becomes the largest shareholder of ZeU after Closing, it may find that significant amount of money raised might be taken away by St-Georges for costs incurred before Closing, leaving little money for operation after Closing. This will cause significant risks for both ZeU shareholders and St. Georges shareholders (who will receive ZeU shares via St. Georges), as this may affect ZeU market price once listed.

Furthermore, Tiande received from ZeU a proposed restated and revised APA which substantially changed the terms and conditions of the Original APA and deviated even further from our original intention when executing the original APA this February. Tiande endeavored to discuss but St-Georges was reluctant to supply the needed documents for Tiande to review before the deadline, even set an unreasonable deadline for Tiande to take their proposed draft and urged Tiande to terminate the transaction.

The above changed circumstances frustrated the original and fundamental purpose of Tiande for the transaction. In order to protect current ZeU investors/future shareholders as well as St. Georges shareholders, Tiande had to terminate the transaction. St-Georges intentionally omitted to explain to its shareholders/investors the real reasons that caused the transaction termination and “transaction impossible”.

## 2. License and know-how claimed to be held by ZeU

St-Georges claimed in its press release dated January 15, 2018 that it assigned the license (previously granted by Tiande) to ZeU in consideration of 20,000,000 common shares of ZeU. Tiande has solid legal basis to challenge such claim. St-Georges needs to prove the legality of its assignment to ZeU. Otherwise, St-Georges will be in violation of its original license agreement with Tiande.

Also, St-Georges claimed in the Press Release that ZeU holds exclusive license to use Tiande's proprietary technologies, patents and know-how. We noticed that St-Georges and/or its management team tweeted to the public that contained implications that it will involve a team member of Tiande (such tweets mentioned the background of the person, thus this person can be easily identified). Such behaviors were misleading. Though this person joined Tiande after execution of the Amendment, he has been receiving Tiande's paycheck and is de facto part of the purchased assets as defined in the APA.

To our knowledge, Tiande is in complete control of its proprietary technologies and know-how and never transferred, licensed or permitted the use of any proprietary technologies and know-how to any entities, companies and individuals. We request that St-Georges should disclose the names of the persons, how he or she obtained Tiande proprietary technologies and know-how, and how legally they can use Tiande know-how and proprietary technologies in St-Georges/ZeU's applications or systems without signing any legal documents and paying any consideration to Tiande. Otherwise we have reason to believe St-Georges/ZeU are suspected of being involved in tort and even more serious misfeasance and we would call on regulators to get involved in investigation.

Further to the above clarification, Tiande also would highlight the following misconduct of ZeU:

## 3. Serious patent filing mistakes made by ZeU

ZeU arranged for the patents filing process in North America in the name of Tiande and the patents were supposed to be transferred to ZeU after Closing of the transaction and execution of a formal assignment agreement of the patents according to the APA. However, according to the Patent Application Status Report submitted by McMillan (law firm engaged by ZeU) date July 31, 2018, there were 6 patents filed and 1 patent to be filed in the name of ZeU starting from May 18, 2018.

Apparently, this is a serious mistake. Tiande double checked the communications regarding patent filing and never authorized McMillan or St-Georges/ZeU to file for the application in the name of ZeU. Besides, the aforesaid assignment agreement of patents has not been executed yet. It was impossible for Tiande to transfer the patents to ZeU without receiving any purchase price (share certificates of ZeU) before Closing.

Tiande communicated with McMillan and ZeU to correct the mistakes. According to ZeU representative, “McMillan screwed up and have to fix it”. But McMillan denied its mistakes and made false countercharge against Tiande without any evidence.

#### 4. Costs and expenses ZeU charges against Tiande

ZeU, which was in actual complete control of St-Georges, spent large sums of money (which was now charged against Tiande after the deal broke). To protect the investors/future shareholders’ interests, a Tiande has repeatedly requested for invoice/receipts/bills and relevant legally effective documents related to such costs and expenses to verify and made it clear that Tiande will not agree with such charges unless proper invoices/bills are provided and identified. But ZeU/St-Georges were reluctant to provide any documentation. Therefore, in the best interests of investors and future shareholders, Tiande proposed that St-Georges shall guarantee that ZeU is debt-free upon Closing. St-Georges representative agreed but later went back on their words.

#### 5. Return of the ETH of the subscribers

The subscribers/investors from China have written to ZeU requesting return of 3936 ETH back to them. But Tiande was informed by two of the subscribers that ZeU disregarded their request and did not respond. Only one of the subscribers received refusal from ZeU on the ground that the investors’ “subscription was accepted as part of the first tranche of the financing closed on July 5, 2018, such that you became a debenture holder of ZeU in accordance with the terms of your subscription, which was not conditional on the transaction with Tiande.”

The subscription was indeed conditional on the transaction with Tiande. The subscribers from China relied on and invested because of Tiande team. In the APA, there were Concurrent Financing conditions, which was the basis for the subscribers to make decisions in financing the transaction. Though as St-Georges claimed in its press release dated May 22, 2018, Concurrent Financing was removed from the APA, St-Georges explained that the only purpose is to eliminate uncertainties related to the closing and “allow ZeU to facilitate the Concurrent Financing”. In particular, at least one subscriber invested on March 5, 2018 which occurred before the removal of the Concurrent Financing terms. Since ZeU’s transaction with Tiande terminated, they had no intention to invest in ZeU’s other business arrangement.

We believe ZeU intentionally withheld the investment of the subscribers without lawful grounds and has caused and will continue causing serious losses and damages to the subscribers. ZeU should respect their wishes and choices and immediately return their investment.

Tiande has always been trying to fix the above misbehaviors and facilitate the consummation of the transaction, but unilateral effort and kindness were not taken seriously. Despite of that, Tiande never issued statement publicly against St-Georges/ZeU till now.

Tiande reminded St-Georges before releasing the Press Release that it should correct the materially false and misleading statement, but St-Georges chose to ignore. Therefore, Tiande feel it necessary to clarify the misrepresentation of St-Georges.

We hope the above will give you a better understanding of what caused the failure of the transaction. Thanks for your understanding.

Qingdao Tiande Technologies Limited  
Beijing Tiande Technologies Limited  
Guiyang Tiande Technologies Limited

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