January 11th, 2016 News Release

Midasco Announces Changes to Softac Letter of Intent

Vancouver, B.C. - Midasco Capital Corp. (the "**Company**" or "**Midasco**") (**TSXV: MGC**) is pleased to announce that it has amended the non-binding letter of intent (the "**LOI**") as announced in the Company's October 5, 2015 News Release. The LOI with SOFTAC Systems Ltd. ("**SOFTAC**") to complete a business combination whereby Midasco has agreed, subject to certain conditions, to acquire all of the issued and outstanding securities of SOFTAC (the "**Transaction**").

Highlights of the Proposed Transaction (Amended Terms)

In consideration of the Transaction Midasco will now issue 19,000,000 common shares at a deemed price of $0.10 per common share (the "**Company Payment Shares**") to the existing shareholders of SOFTAC and make staged cash payments of $1,500,000 over a 30 month period.

Private Placement Financing (Amended Terms)

Concurrent Financing

The Transaction is subject to Midasco completing an equity financing (the "**Concurrent Financing**") by way of a private placement to raise a minimum $1.200,000 and up to a maximum $1,500,000 at an intended price of $0.10 per Unit (the "**Units**"), which is equal to the deemed issuance price of the Company Payment Shares. Each Unit will consist of one common share and one half (1/2) share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of $0.20 per share for a period of one year. Should Midasco's share price trade at $0.30 per share for 20 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 20 days or they will expire. The parties acknowledge that the funds from the Concurrent Financing will be held in escrow and not released until the Exchange approves the Transaction on such terms to be more particularly described in the Definitive Agreement. Midasco may pay finder fees in connection with the Concurrent Financing.

The net proceeds from the Concurrent Financing will be used for the development of the business, making staged payments to SOFTAC shareholders and general working capital purposes.

Conditions of the Proposed Transaction

The Transaction is subject to a number of conditions precedent referenced below ("Conditions Precedent"). Unless all of such conditions are satisfied or waived by the party for whose benefit such conditions exist, to the extent they may be capable of waiver, the Transaction will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all. The closing of the Transaction (the "**Closing**") is subject to the satisfaction or waiver of the following closing conditions, which are for the benefit of both parties:

a. board approval and shareholder approval (if necessary) of the Transaction and other matters contemplated by the LOI to be obtained by Midasco;
b. board approval and shareholder approval (if necessary) of the Transaction and other matters contemplated by the LOI to be obtained by SOFTAC;
c. completion of due diligence to the satisfaction of the parties;
d. all necessary regulatory approvals with respect to the Transaction and the Concurrent Financing having been obtained, including but not limited to the approval of the Exchange and the other applicable securities regulatory authorities;
e. the signing of the Definitive Agreement;
f. completion of all matters, and the satisfaction of all conditions (unless waived in writing) under the Definitive Agreement required to be completed or satisfied on or before the Closing including but not limited to completion of the Concurrent Financing; and
g. cancellation of SOFTAC's then outstanding options, share purchase warrants and any other securities exercisable or convertible into shares of SOFTAC.

Pursuant to the terms of the LOI, and subject to the Conditions Precedent and other conditions contained in the LOI, the parties intend to negotiate and enter into a definitive agreement (the "**Definitive Agreement"**) which, once executed, will supersede the LOI.

The Definitive Agreement will incorporate the principal terms of the Transaction described herein, and in addition, such other terms and provisions of a more detailed structure and nature as the parties may agree upon after receiving further tax, legal and financial advice from their respective advisers. However, there is no assurance that the Definitive Agreement will be successfully negotiated or entered into.

Subject to Exchange approval, the Closing shall be completed on or before the date (the "**Closing Date**") that is five (5) business days following the receipt of final acceptance by the Exchange of the listing and the completion of the Transaction and the other matters contemplated by this LOI, or such other date as the Parties mutually agree.

Additional Information

Trading of the common shares of the Company will remain halted in accordance with Exchange policies until all required documentation with respect to the Transaction has been received and the Exchange is otherwise satisfied that the halt should be lifted.

The Company will seek a waiver from the sponsorship requirements of Policy 2.2—*Sponsorship and Sponsorship Requirements* of the Exchange, however, there are no assurances that such waiver will be granted by the Exchange.

If and when a Definitive Agreement is executed, Midasco will issue a subsequent press release in accordance with the policies of the Exchange containing the details of the Definitive Agreement and additional terms of the Transaction, including information relating to sponsorship, summary financial information in respect of Midasco and SOFTAC, and to the extent not contained in this press release, additional information with respect to the business of SOFTAC, the Private Placement, the Concurrent Financing, and insiders of the Resulting Issuer upon completion of the Transaction.

On behalf of the Board,
William Pettigrew, President & CEO
Phone: 604-669-2901

Neither the 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 news release.

CAUTIONARY STATEMENT

Completion of the transaction is subject to a number of conditions, including Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular or Filing Statement to be prepared in connection with the transaction, any information released or received with respect to the COB 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 TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has not approved nor disapproved of the contents of this press release.

READER ADVISORY

Statements in this press release may contain forward-looking information including, statements regarding the contemplated COB and the Concurrent Financing. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. Factors that could cause the actual results to differ materially from those in forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, and general economic, market or business conditions. The reader is cautioned not to place undue reliance on any forward-looking information. There can be no assurance that the proposed change of business or private placements will be completed or, if completed, will be successful.

The forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities law.