

First Global Data Limited - Board Resignations, Special Committee Formation for Revenue Recognition Issues and Delay in Filing Audited Financial Statements

TSX Venture Exchange: FGD
Frankfurt Stock Exchange: 1G5

TORONTO, April 17, 2018 /CNW/ - First Global Data Limited ("First Global" or the "Company") would like to provide an update on various matters and expects that its common shares will resume trading on the TSX Venture Exchange on Tuesday April 17, 2018.

Board Resignations and Audit Committee Reconstitution

The Company announces that Peter Lacey, who had served on the Company's Board of Directors (the "Board") and as chair of the Board's audit committee ("Audit Committee") since November 2017, and Douglas Smith, have tendered their resignation to the Company. Both Mr. Lacey and Mr. Smith cited personal reasons requiring their immediate attention that no longer allow them to dedicate the time and attention necessary for First Global. The remaining members of the Board and the Company thank Mr. Lacey and Mr. Smith for their service and wish them every success with future endeavours.

With the resignation of Mr. Lacey, the Audit Committee will be reconstituted to include Ray Wieler, as interim chair, along with Kevin Price and Naresh Singh. The Board is currently comprised of Ray Wieler, Kevin Price, Naresh Singh and Andre Itwaru.

Special Committee Formation

The Company announces that the Board has appointed a special committee of directors (the "Special Committee") to advise with respect to a potential revenue recognition issue.

In the process of preparing its financial statements for the fiscal year ended December 31, 2017 (the "Financial Statements"), the Company has discovered that a material number of software license agreements (the "Agreements") entered into between the Company and various arm's length third parties may have revenue recognition issues and, as a result, a material amount of revenue may not be recognizable on the Company's Financial Statements. As a result, the Company anticipates a delay in filing its audited Financial Statements (including its related management's discussion and analysis), and is conducting an internal review. The Special Committee will be dealing directly with special advisors that will be engaged to seek a resolution of the issue and to improve the Company's internal controls and financial reporting practices going forward.

The members of the Special Committee are Ray Wieler, as Chair, and Kevin Price and they will be assisted by Chairman and CEO Andre Itwaru. The Board formally retained Miller Thomson LLP on April 16, 2018.

One of the first orders of business for the Special Committee is to oversee an immediate transition to a national audit firm and the filing of an application with applicable securities regulators in connection with a proposed management cease trade order. The Company is currently under a voluntary trading blackout whereunder none of the Board, management, consultants and employees of the Company are permitted to trade in shares of the Company. The Company anticipates such self-imposed trading blackout to continue indefinitely pending resolution of the above issues or further notice.

In the interim, the Company is actively working with licensees to amend the Agreements, to the extent possible, in order to address the revenue recognition issue.

Licensing

First Global Data Limited is pleased to announce that its wholly owned US subsidiary, First Global Money Inc., has been granted a new money transmitter license by the State of North Carolina, raising the Company's number of US State licenses to 40.

Market Activity

First Global would also like to advise that it has concluded its listing on the OTCQB exchange in the United States. First Global's trading symbol is FGBDF. The Company is working to conclude Depository Trust Company (DTC) eligibility and will announce when this has been completed. This follows on the heels of its finalized private placement of February 26, 2018, in which the Company raised a total of \$1,818,000 CAD (as press released on February 28, 2018). The Company will not complete further equity financings until applicable regulatory approvals are obtained.

About First Global Data Limited (www.firstglobaldata.com)

First Global is an international financial services technology ("FINTECH") company. The Company's two main lines of business are mobile payments and cross border payments. First Global's proprietary leading edge technology enables the convergence of compliant domestic and cross border payments, shopping, Peer to Peer ("P2P"), Business to Consumer ("B2C"), and Business to Business ("B2B") payments. First Global enables its strategic partners and clients around the world with our leading edge financial services technology platform.

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

Forward Looking Information:

This news release contains "forward-looking information" within the meaning of applicable securities laws. In particular, this press release contains forward-looking statements with respect to the Company's ability to recognize revenue under a material number of license agreements, retaining new auditors, the late filing of annual financial statements for the fiscal year ended December 31, 2017 (and the related management's discussions and analysis) as well as a proposed filing of an application in respect to a proposed management cease trade order. There can be no assurance with respect to a favourable outcome with respect to any of the foregoing matters. Investors are advised that absent a favourable outcome with all of the foregoing matters, the business and market value of the Company, including the value of its common shares, may be adversely and materially affected. Although First Global believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because First Global can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. The statements in this press release are made as of the date of this release. First Global undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of First Global, its securities, or financial or operating results (as applicable). First Global disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

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