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VidWRX Announces Bridge Loan Default and Renegotiation, Management Changes and Debenture Financing

Vancouver, British Columbia: March 21, 2016 – VidWRX Inc. (TSX-V:VID) ("VidWRX" or the "Company") announces that it is in default of its repayment obligations due and owing under the bridge loan facility entered into by the Company on January 18, 2016 (the "Bridge Loan"). The Company and the lenders have agreed in principle to settle the Bridge Loan through the issuance of a secured convertible debenture (the "Convertible Debenture"), subject to the approval of the TSX Venture Exchange and to the completion of documentation. The principle terms of the Convertible Debenture are expected to include a coupon of 12% per annum, a maturity date no earlier than December 31, 2016 and a conversion price of $0.05. For further information regarding the Bridge Loan, readers are encouraged to review the Company's news release of January 18, 2016. The Company will provide further information in respect of the completion of the settlement as soon as available.

Management Changes

Effective immediately, Steven Hancock will assume the role of Chief Executive Officer of the Company, replacing George Fleming who will remain on the board of directors as Chairman to assist the Company during a three month transition period. Mr. Hancock was recently appointed to the board of the Company and subsequently as President. As Chief Executive Officer, Mr. Hancock will assume all the responsibilities for operations and report to the board.

As the founder of VidWRX, Mr. Fleming was responsible for driving the creation of the Company's video production platform. The board thanks Mr. Fleming for his commitment and appreciates the contribution that he has made to the establishment of the Company's business over the past ten years.

Strategic Review

The Company is pleased to announce that its board of directors has completed a comprehensive review of the Company's ongoing strategic operations. As a result of this review, the board has concluded that:

1. The demand for video content for Small to Medium Businesses (SMB) continues to accelerate worldwide;
2. The Company's existing client base, sales pipeline and strategic partners show strong sustainable revenue potential;
3. The Company should continue to advance strategic relationships with major search, social media and programmatic advertising partners;
4. The core video production platform technologies, staff and creative network are in place to support growth to operating positive cashflow; and

5. With economies of scale the Company will be able to grow operating margins.

Accordingly, the board has concluded that, by implementing various operational changes and efficiencies, managing the Company's creditors and raising new capital, VidWRX will be positioned to capitalize on its strengths in a proven, rapidly growing market.

In addition, the board of directors do not see any reason to consider a stock consolidation in the foreseeable future.

Operational Changes

In connection with its strategic review, the board has approved a comprehensive business plan developed by Mr. Hancock, together with senior management that incorporates the following key elements:

1. Significant reductions in monthly expenses.
2. Significant staff reductions through the elimination of non-essential sales, marketing, technology staff and redundant corporate positions.
3. Significant reductions in management compensation.
4. A refocused sales strategy to expedite revenues realized rather than bookings generated.
5. A focus on larger existing customers that can immediately move into high volume video production.
6. A focus on fewer but larger qualified active channel partners or resellers.
7. The proactive establishment of strategic business referral channels with major social networks and video advertising platforms targeting SMB's.
8. A reduction in corporate debts and payables through a combination of share settlements, renegotiation and payment deferral.
9. Rigorous monitoring of costs, margins and cash.

The primary goal of the business plan is to achieve positive operational cash flow by the fourth quarter of 2016, while positioning the Company to take advantage of higher margin new business in a fast growing industry.

The Company also announces that it has terminated its previously announced investor relations agreement with Greg Werbowski.

Financing

The Company has elected to restructure the terms of its previously announced non-brokered private placement (the "Private Placement") of Debentures, as a result of the board's review of the Company's ongoing operations. The Private Placement will now consist of up to 200 units (individually, a "Unit") at a price of $5,000 per Unit, for aggregate gross proceeds of up to $1,000,000, each Unit to be comprised of a $5,000 debenture (individually, a "Debenture") and 10,000 warrants (individually, a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share in the capital of the Company (a "Common Share"). Proceeds of the Private Placement will be made immediately available to the Company on closing, and will not be placed in escrow. Completion of the Private Placement is subject to the approval of the TSX Venture Exchange.

Each Debenture will mature 3 years after the issuance thereof, subject to early repayment. VidWRX has agreed that, from January 1, 2017, 3% of cash revenues received will be paid quarterly against the principal outstanding under each Debenture, until such time as the Debentures are repaid in full.

For each Debenture held, the holder thereof will also be entitled to an additional quarterly distribution of $150 so long as any of the principal amounts owing under the Debentures are outstanding. Notwithstanding that the principal amounts owing under the Debentures are paid back prior to the expiry of the three year term, each holder of a Debenture will be entitled to a minimum of six quarterly distributions.

Each Warrant issued pursuant to the Private Placement shall be exercisable for a term of three years at an exercise price of $0.05. If the average closing trading price of the Common Shares on the Exchange or other recognized exchange is equal to or greater than $0.20 for a period of 60 consecutive days, the Company shall have an option at its sole discretion to provide a written notice to accelerate the expiry (the "Acceleration Notice") advising the Warrant holders that they shall have 21 days following the date of the Acceleration Notice to exercise their Warrants and any unexercised Warrants after the expiry of the 21st day following the Acceleration Notice shall expire with no further rights and privileges attached thereto.

The Private Placement is open to all accredited investors. Interested individuals should contact Rick Schultz (CFO) at 604.683.5510 ext. 550 or email rschultz@vidwrx.com

Conference Call

Steve Hancock (CEO & Director), Beng Lai (Independent Director) and Goodwin Gibson (Independent Director) will host a live conference call to discuss the board's strategic review on Monday, March 21, 2016 at 1:00 pm EDT (11:00 am MDT, 10:00 am PDT).

To access the conference call by phone within Canada and the U.S.A., the toll-free number is 1-800-319-4610. Outside Canada and the U.S.A., dial 1-604-638-5340. (Callers should dial in five to ten minutes prior to the scheduled start time).

Management will speak to a presentation entitled the Stabilization & Growth Plan during the conference call. The presentation is available by clicking here or visiting the VidWRX website http://vidwrx.com/investors#/downloads or The Howard Group's https://howardgroupinc.com/vidwrx-inc Investor Presentation tab.

Management will accept questions by telephone and e-mail. Individuals wishing to ask a question during the call can do so by pressing *1. Questions can also be forwarded in advance of the conference call to info@howardgroupinc.com.

An archive of the conference call will be posted in the Investors section of VidWRX's website http://vidwrx.com/investors#/downloads and The Howard Group https://howardgroupinc.com/vidwrx-inc Investor Presentation tab as soon as it is available.

About VidWRX Inc.

Founded in 2006 as SoMedia Networks, VidWRX is an industry pioneer, providing scalable video production services to marketers and digital agencies in any volume, anywhere in North America. Combined with its online platform and proven processes, VidWRX expert production teams ensure exceptional customer service and affordable, high quality videos.

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