VersaBank Subsidiary VersaVault Beta Testing Phase One of its Blockchain Based Vault Initiative to Securely Store Digital Property

June 26, 2018
LONDON, Ontario

LONDON, Ontario–(BUSINESS WIRE)–VersaBank (TSX: VB, VB.PR.A, VB.PR.B) ("**VersaBank**") announced today that it is beta testing its initial phase of VersaVault, a Blockchain-based vault initiative to securely store digital property so that VersaBank's customers can easily, safely and privately store their digital valuables.

VersaVault has been engaged with a number of key institutional customers, including cryptocurrency exchanges and cryptocurrency focused funds. This has allowed for a mutual sharing of requirements, so that the design of VersaVault's secure service will deliver the specific needs required of our customers.

The VersaVault is now beta testing offline an initial release of its service, providing the needed security to our institutional customers' cryptocurrency by leveraging VersaVault's service to secure transactions. VersaVault's integral use of strong security controls and methods, normally associated with banks and other security conscious organisations, helps provide a secure and trusted cryptocurrency co-signing, or multisignature, solution for customers.

The pilot is being conducted with institutional customers, made up of one crypto exchange and one crypto fund, who are looking to enhance their crypto-asset security protocols that are currently in place. This will also act as VersaVault's initial internal pilot and test of the features for VersaVault's upcoming secure, trusted, and private digital storage solution.

David Taylor, VersaBank's President & CEO, stated: "We are now focused on beta tests with a crypto exchange and a crypto fund. VersaBank is a leader in the profitable application of innovative digital technologies to financial services and has already revolutionized digital lending and deposit taking. It has been a natural evolution for VersaBank to build this new Blockchain based product that the world clearly needs. Bitcoin and other crypto currencies have consistently gained popularity and holders have experienced their valuable holdings vanish from the less secure 'digital storage' options. Banks have always been known as the safest place to store physical valuables and it is our aim to make VersaVault the safest place to secure your digital valuables, with absolute privacy."

About VersaBank

VersaBank, a technology based and digital Canadian Schedule I chartered bank, operates using an “electronic branchless model”. It sources its funding, along with consumer and commercial loan and lease receivables, electronically. VersaBank also makes residential development and commercial mortgages it obtains through a well-established network of brokers and through direct contact with its lending staff. VersaBank’s Common Shares trade on the Toronto Stock Exchange under the symbol VB and its Series 1 Preferred Shares and Series 3 Preferred Shares trade under the symbols VB.PR.A and VB.PR.B, respectively.

Visit VersaBank’s website at: http://www.versabank.com

Disclaimer

Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. This information is based on certain assumptions regarding software development, expected growth, results of operations, performance, and business prospects and opportunities (collectively, the “Assumptions”). While VersaBank considers these Assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Forward-looking information is subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from what VersaBank currently expects. These risks, uncertainties and other factors include, but are not limited to: the timing and market acceptance of future products, competition in VersaBank’s markets, the development of appropriate and secure software in respect of VersaVault (including without limitation the timing thereof), the ability of VersaVault to provide a safe and private vault for digital assets, VersaBank’s reliance on customers, fluctuations in currency and exchange rates, commodity prices or interest rates, VersaBank’s ability to maintain good relations with its employees, changes in the law or regulations and VersaBank’s ability to protect its intellectual property (collectively, the “Risks”). For more exhaustive information on these Risks you should refer to VersaBank’s filings with the securities regulatory authorities, including VersaBank’s most recently filed annual information form, which is available on SEDAR at www.sedar.com. Other than as required under securities laws, we do not undertake to update any forward-looking information at any particular time. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement.

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