

NEWS RELEASE

CAIRO AND SWARMIO ANNOUNCE AGREEMENT FOR PROPOSED QUALIFYING TRANSACTION

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Vancouver, B.C., October 1, 2019 – Cairo Resources Inc. (TSX-V: QAI.H) (“**Cairo**”), a capital pool company listed on the TSX Venture Exchange (the “**Exchange**”), and Swarmio Inc. (“**Swarmio**”), a private Canadian federally incorporated technology company, are pleased to announce that they have entered into arm’s length amalgamation agreement dated September 30, 2019 (the “**Definitive Agreement**”) in respect of a proposed business combination (the “**Proposed Transaction**”) that would result in the reverse takeover of Cairo by Swarmio. It is anticipated that the Proposed Transaction will constitute Cairo’s “Qualifying Transaction” pursuant to Policy 2.4 of the Exchange. Following the completion of the Proposed Transaction, the resulting entity (the “**Resulting Issuer**”) will hold all of the assets and continue the business of Swarmio.

About Swarmio

Swarmio was incorporated under the provisions of the Canada Business Corporations Act on September 25, 2014 and currently has 9,617,905 common shares, 4,760,274 Class A Preferred Shares, 3,477,945 Class B Preferred Shares (such common and preferred shares are referred to collectively as the “Swarmio Shares”), 666,281 common and preferred share purchase warrants, 4,675,000 common share purchase options and convertible debt instruments having principal amount of \$1,233,604.63 which are convertible, including interest up to October 31, 2019, into 9,829,934 shares in the capital of Swarmio, issued and outstanding.

Swarmio is a global esports technology and media company that provides solutions purpose-built to support the growth of esports communities, enterprises and developers. Swarmio has developed a unique set of internet infrastructure and software technologies that powers the esports ecosystem.

The video gaming industry is the largest entertainment market on the planet with more than US\$139 billion in revenue. It is larger than sports (NFL, MLB, NBA, NHL), music and film industries combined. Video gaming is increasingly becoming a competitive sport with prize money and international competitions with millions of spectators. It has created a fast-growing competitive gaming ecosystem, termed esports, where competitive gamers play video games against each other for prize pools rivalling professional sports. Prize pools for esports tournaments are reaching millions. DotA 2 has a prize pool worth US\$34M and approximately 20 million viewers. Epic Games announced a US\$100 million prize pool for its game Fortnite.

The fast growth of the video gaming and esports industry and the broad proliferation of real-time applications such as IOT (Internet of Things) and self-driving cars expose the limits of today’s Internet, cloud and telecom infrastructures. Despite vast improvements in today’s 4G/5G cellular networks and their quicker download speeds, online video game players still have to connect to

servers thousands of kilometres away at a cloud data center. This creates a very long connection delay (aka “Latency”) and causes a poor gaming experience. Today’s Internet infrastructure is simply not optimized for the low latency demands of the video gaming and esports industry.

Swarmio has developed and deployed a latency optimized edge computing platform that extends the limits of today’s Internet infrastructure and delivers a better gaming experience by deploying game servers closer to the players.

Swarmio partners with Telecom operators around the world to build a global edge computing network using Swarmio’s intelligent orchestration engine and telco’s physical infrastructure (servers and networks). Today, Swarmio’s edge computing platform connects more than 170 data centers in more than 70 regions globally.

Using the global edge computing platform, Swarmio delivers a turnkey, white-labelled esports platform solution for esports organizations (teams, tournament organizers, influencers, etc.), game developers and telecom operators. Swarmio’s esports solution enables organizations to engage and monetize their userbase and fanbase.

Summary of Proposed Transaction

Transaction Structure

Pursuant to the Definitive Agreement, Cairo and Swarmio will complete a three-cornered amalgamation under the federal laws of Canada whereby a newly formed wholly-owned Canadian federal subsidiary of Cairo will amalgamate with Swarmio (the “**Amalgamation**”) and the shareholders of Swarmio will receive common shares of Cairo (the “**Cairo Shares**”) in exchange for their Swarmio Shares, resulting in a reverse takeover of Cairo by Swarmio.

Immediately prior to the Amalgamation, Cairo will consolidate its issued share capital on the basis of one (1) new Cairo Shares for each 1.2 old Cairo Shares.

It is anticipated that the Resulting Issuer will continue the business of Swarmio under the name “Swarmio Media Inc.” (the “**Name Change**”).

Certain common shares of the Resulting Issuer to be issued pursuant to the Proposed Transaction are expected to be subject to restrictions on resale or escrow under the policies of the Exchange, including the securities to be issued to “Principals” (as defined under Exchange policies), which will subject to the escrow requirements of the Exchange. Additionally, certain of the common shares of the Resulting Issuer to be issued pursuant to the Proposed Transaction are expected to be subject to contractually based restrictions on resale or escrow.

The Proposed Transaction is subject to, among other things, the completion of the Concurrent Financing (as described below) for gross proceeds of \$4.0 million, receipt of Swarmio and Cairo board approval of Proposed Transaction, receipt of Swarmio shareholder approval for the Proposed Transaction, receipt of Cairo shareholder approval of the Continuation, the Name Change, Cairo and Swarmio obtaining all necessary consents, orders and regulatory approvals, including the conditional approval of the Exchange, and other standard closing conditions.

On closing of the Proposed Transaction the Concurrent Financing and issuance of the Finder’s Fee (all as discussed below), it is anticipated that there will be approximately 51,017,894 common shares of the Resulting Issuer issued and outstanding (55,085,683 common shares on a fully diluted basis). Certain of the common shares issued by Cairo pursuant to the Proposed

Transaction will be subject to restrictions on resale or escrow under the policies of the Exchange or applied on a contractual basis.

Concurrent Financing

Swarmio intends to undertake a private placement of subscription receipts (the “**Subscription Receipts**”) for anticipated gross proceeds of \$4.0 million (the “**Concurrent Financing**”) to close on or before completion of the Proposed Transaction. Upon satisfaction or waiver of all conditions precedent to the Proposed Transaction, the principal amount of the Subscription Receipts will automatically convert into Swarmio Shares at a conversion price of \$0.40 per Swarmio Share, and such Swarmio Shares will then be exchanged for Cairo Shares pursuant to the Proposed Transaction. The proceeds of the Concurrent Financing will be held in escrow until conversion of the Subscription Receipts. In the event that the Proposed Transaction is terminated, 100% of the proceeds of the Concurrent Financing will be returned to the investors.

Finders Fee

Concurrent with and conditional upon the completion of the Proposed Transaction, Swarmio has agreed to pay a finder’s fee of 1,950,000 post consolidated Swarmio Shares to an arms-length finder.

Name Change

Immediately prior to the closing of the Proposed Transaction, the directors of Cairo will resolve, pursuant to the powers granted to them under the Company’s articles, to change the name of the Company to Swarmio Media Inc.

Proposed Directors and Officers

It is anticipated that all of the current directors and officers of Cairo will resign from their respective positions with Cairo. The board and management of the Resulting Issuer shall be comprised of Swarmio nominees, and is expected to include Vijai Karthigesu (CEO, Corporate Secretary and director), Sorin Stoian (CTO), Kyle Appleby (CFO), Andrew Ray (director) and Malcolm Smith (director) with potential additional directors to be confirmed in due course. The following are brief descriptions of the currently proposed directors and officers of the Resulting Issuer:

Vijai Karthigesu – CEO, Secretary and Director

Mr. Karthigesu is a serial entrepreneur, innovator, blockchain strategist, and a thought leader in software-defined networking and decentralized computing technologies. He has over 20 years of experience in guiding organizations create unique and ahead-of-the-curve technology strategies to adapt, change and lead major market transitions.

Mr. Karthigesu has been a speaker at major technological events and has espoused the need for technology to be human-focused and decentralized in the emerging blockchain, Internet of Things and 5G era.

Mr. Karthigesu is Swarmio’s founder. He was the Co-Founder / CSO of Cloud Dynamics, a cloud automation technology company, and Co-Founder / CTO of SpectraVoice, one of Canada’s first commercial VOIP companies. Vijai also held senior technology leadership

positions in multi-billion-dollar public and private sector companies in Canada. Vijai is a licensed Professional Engineer (P.Eng.).

Mr. Karthigesu holds an Electrical Engineering degree from the University of Waterloo and an MBA from Wilfrid Laurier University.

Sorin Stoian – CTO

Mr. Stoian is a creative and result-driven IT architect with more than 20 years of experience in IT infrastructure, Cloud, Software-Defined technologies, agile software development, gaming network architectures and IT security. Mr. Stoian has wide experience in conceptualizing and developing revenue-generating cloud infrastructure management solutions and software-defined cloud infrastructures.

He has worked in a senior capacity for major global brands such as IBM, Bell, Telus, Nokia, Vodafone, Moneris and Scotiabank.

Mr. Stoian holds a Bachelor of Science degree from the Politehnica University of Bucharest.

Kyle Appleby – CFO

Mr. Appleby joined Swarmio as Chief Financial Officer in August 2019. Mr. Appleby spent the first 10 years of his career working in public accounting where he worked in both audit and advisory practices working with private companies and investment funds. Since 2007 Mr. Appleby has focused on providing management, accounting and financial services to public companies across a variety of industries including esports, technology, mining, food production, cannabis, crypto-currency and others.

Kyle has been the Chief Financial Officer for numerous companies listed in Canada and the US, and has extensive experience in financial reporting, accounting, IPOs, fund raising, and corporate governance.

He holds a Bachelor of Economics from York University and is a member in good standing of the Chartered Professional Accountants of Ontario.

Andrew Ray – Director

Andrew Ray is vice president of investment at Innovacorp, where he oversees the organization's venture capital activities. As part of the senior management team, he leads Innovacorp's work to find, fund and foster innovative Nova Scotia start-ups that strive to change the world.

Mr. Ray works hands-on with Innovacorp's portfolio companies to assist them in building teams, accelerating their growth, achieving milestones and securing additional financing. He is a board member at Swarmio, QRA, VineView and LeadSift, and a board observer at Proposify.

Prior to joining Innovacorp, Andrew was the CEO of Bazari, a mobile banking services provider for microfinance institutions in India. At Bazari, he helped financial institutions set up technology infrastructure and oversaw the rollout of the company's mobile payment platform. Prior to this, he worked for MacDonald, Dettwiler and Associates on the Radarsat-2 Spacecraft, from design through launch, specializing in spacecraft guidance and navigation.

Andrew holds a B.Sc. in astrophysics from Saint Mary's University, an M.Sc. in space studies from France's International Space University, and an MBA from Brigham Young University's Marriott School of Management.

Malcolm Smith – Director

Mr. Smith is CEO of West Harbour Capital, where he oversees the organization's merchant banking activities and provides a variety of corporate finance services including capital-raising, mergers and acquisitions, joint ventures, business development, as well as restructuring and due diligence.

Mr. Smith has over 20 years of experience in capital markets on both the sell-side and buy-side. Prior to founding West Harbour Capital, he was the CFO, CCO and a financial analyst at Edge Hill Partners, an independent, specialized manager of alternative investment strategies. At Edge Hill Partners, he was responsible for operations, evaluating investment opportunities and managing the currency hedging program for the funds. Edge Hill Partners grew from a start-up investment manager to a successful nationwide and offshore fund distribution company.

Prior to this, he worked for Salida Capital, National Bank Financial and First Marathon Securities.

Mr. Smith holds a Bachelor of Commerce degree from Saint Mary's University.

Additional information on the proposed board and management of the Resulting Issuer will be provided once available.

Sponsorship

In connection with the Proposed Transaction Cairo and Swarmio intend to apply for a waiver from the Exchange's sponsorship requirement.

Additional Information

Additional information concerning the Proposed Transaction, Cairo, Swarmio and the Resulting Issuer, including financial information of Swarmio, will be provided in subsequent news releases and in Cairo's Filing Statement to be filed in connection with the Proposed Transaction, which will be available under Cairo's SEDAR profile at www.sedar.com.

Upon closing of the Proposed Transaction, the Resulting Issuer expects to list as a Tier 2 Technology Issuer on the Exchange.

The Proposed Transaction will not constitute a "Non-Arm's Length Qualifying Transaction" (as such term is defined in the policies of the Exchange). Accordingly, it is not anticipated that the Proposed Transaction will be subject to the approval of Cairo shareholders.

In accordance with the policies of the Exchange, Cairo Shares are currently halted from trading and will remain so until such time as the Exchange determines, which, depending on the policies of the Exchange, may not occur until completion of the Proposed Transaction.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

About Cairo

Cairo is a capital pool company formed under the Exchange capital pool company program.

Cairo currently has issued and outstanding 1,881,473 Cairo Shares, nil common share purchase warrants and nil incentive stock options.

For further information:

Cairo Resources Inc.
Darryl Cardey, CEO
Phone.: +1.604.638.8063
Email: dcardey@cdmcp.com

Swarmio Inc.
Vijai Karthigesu, CEO
Phone: +1.416.907.0000
Email: vijai@swarmio.media

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

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance, completion of the Concurrent Financing and obtaining all required shareholder approvals including, if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. There can be no assurance that the Proposed 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 Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this news release with respect to Cairo, Swarmio, and the Resulting Issuer was supplied by the parties, respectively, for inclusion herein, and Cairo and its directors and officers have relied on Swarmio for any information concerning such party.

THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION.

Forward-Looking Statements

This news release contains forward-looking statements relating to the timing and completion of the Proposed Transaction and related transactions, the future operations of the Cairo, Swarmio, and the Resulting Issuer and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements, other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Cairo’ and Swarmio’s expectations include the failure to satisfy the conditions to completion of the Proposed Transaction set forth above and other risks detailed from time to time in the filings made by Cairo, Swarmio, and the Resulting Issuer with securities regulators.

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 Cairo, Swarmio, and the Resulting Issuer. As a result, Cairo, Swarmio, and the Resulting Issuer cannot guarantee that the Proposed Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and Cairo, Swarmio, and the Resulting Issuer will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.