

**GRAVITAS FINANCIAL INC.**

**For Immediate Release**

**Acquisition of a UAE Financial Company**

*Not for distribution in the United States or through United States wire services*

TORONTO, ONTARIO – March 24<sup>th</sup>, 2017 – Gravitas Financial Inc. (CSE: GFI) (“Gravitas” or the “Company”) announces that through its wholly-owned holding company it has advanced USD \$5.45 Million as a deposit to secure the right to acquire the UAE Central Bank licensed financial company (the “Financial Company”) referred to in its subsidiary’s, The Mint Corporation (“Mint”), news release of February 2, 2017 ([www.sedar.com](http://www.sedar.com)). The purchase price is 100 million UAE Dirham (approximately USD\$27.25 million), of which approximately USD \$15 million is due at closing, subject to adjustments.

Gravitas owns approximately 76% of the outstanding common shares of Mint. Global Business Services for Multimedia (“GBS”) owns a 49% beneficial interest in the Mint Group (as defined below).

Gravitas and GBS have each agreed to provide USD \$7.5 million of funding to acquire the Financial Company and also agreed to fund another USD \$7.5 million each to satisfy ongoing UAE Central Bank capital reserve requirements. The first USD \$15 million will be used to acquire 97.22% of the Financial Company. If the transaction were to close, the Financial Company on closing will have a cash balance of USD\$9.54 million.

In order to complete the acquisition of the Financial Company, the parties must obtain financing to fund the remaining portion of the purchase price, obtain UAE Central Bank approval, complete their due diligence and enter into definitive agreements. The participation of the Mint Group in this transaction is also subject to stock exchange approval.

The acquisition of the Financial Company will occur through a holding company formed in the UAE. GBS and Gravitas will each hold a 25% beneficial ownership interest in that holding company. Mint Gateway for Electronic Payment Services LLC (“Mint Gateway”) will own the remaining 50% beneficial interest. Mint Gateway is a company in which The Mint Corporation (“Mint”) owns, indirectly, a 51% beneficial interest and GBS owns a 49% beneficial interest. The holding company and the Financial Company will both have a board of directors consisting of 5 directors, 3 of whom will be appointed by GBS and 2 of whom will be appointed by Gravitas.

Mint Middle East LLC, a company 51% owned by Mint, and Mint Gateway (collectively the “Mint Group”) will use the Financial Company as their BIN sponsor. The Mint Group will also provide sourcing, disbursement, collection, customer care and marketing services to the Financial Company and will promote all products of the Financial Company on an exclusive basis to customers of the Mint Group.

Mint expects that the acquisition of the Financial Company will allow the Mint Group to offer a greater range of financial products and services to its cardholders and to more quickly respond to opportunities and changes in the marketplace. In particular, Mint expects that the acquisition will facilitate the launch of a lending program to payroll cardholders. The current intention is that the Financial Company will be engaged exclusively in providing products, services and loans to cardholders of the Mint Group, subject to the Financial Company’s obligations under existing loan commitments.

The funding provided by Gravitas and GBS to the holding company will take the form of a loan, repayable in three years with interest at \$0.5% per annum. For every USD \$2 million net positive income generated by the Financial Company during any fiscal year, GFI and GBS will forgive USD \$7.5 million of the loan.

The directors of the Financial Company have stepped down in favour of the nominees of Gravitas and GBS.

#### **ABOUT THE MINT CORPORATION**

Established in 2004, Mint is a vertically integrated prepaid card and payroll services provider with its own processing platform, ATM network and proprietary branded card products delivered to workers in the United Arab Emirates. Mint operates as a payroll card and processing services provider in the UAE through its ownership in Mint Middle East LLC and Mint Gateway.

#### **ABOUT GRAVITAS FINANCIAL INC.**

Gravitas is a diversified financial services and merchant banking firm that has an active presence in fast growing international regions including China, India and the Middle East. Gravitas has made strategic investments in high quality and well-managed financial and capital market services companies. The Company currently has ownership interests in various distribution channels, including its 40% ownership in Portfolio Strategies Corporation (PSC), one of Canada's largest independent Mutual Fund Dealers, with over \$2.5 billion in assets under administration and 270 Advisors across Canada.

#### **FORWARD-LOOKING STATEMENTS**

Certain statements in this news release constitute "forward-looking" statements. These statements relate to future events or the Company's future performance. All such statements involve substantial known and unknown risks, uncertainties and other factors which may cause the actual results to vary from those expressed or implied by such forward-looking statements. Forward-looking statements involve significant risks and uncertainties, they should not be read as guarantees of future performance or results, and they will not necessarily be accurate indications of whether or not such results will be achieved. Actual results could differ materially from those anticipated due to a number of factors and risks. Although the forward-looking statements contained in this news release are based upon what management believes are reasonable assumptions on the date of this news release, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. The forward looking statements contained in this press release are made as of the date hereof and the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

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