MetaSepia, Inc. announces support of CA AB161

California Assembly Bill AB161 would mandate digital receipts by 2022, in perfect alignment with our novel trusted mobile payments at the POS

Palo Alto, CA, January 11, 2019

MetaSepia, Inc announced today that its technologies will meet the new requirements under California Assembly Bill 161 regarding digital receipts required at the merchant Point of Sale (POS), with paper receipts upon request. This legislation is introduced primarily as digital receipts are a more environmentally-friendly solution than the 10 million trees, 20 billion gallons of water, and 12 billion pounds of Carbon emissions required to process the trees into paper receipts, each year, in California. https://www.sacbee.com/news/politics-government/capitol-alert/article224089965.html

MetaSepia provides a **securitized merchant-customer portal for bidirectional data communications,** concurrent with mobile financial transactions, a transformative industry innovation. The security reduces transaction risk costs by reducing repudiation and reducing fraud related chargebacks at the instore mobile merchant POS.

MetaSepia is building towards a Digital Receipts-only economy, supporting AB161

MetaSepia enables an enhanced Interactive Customer Experience, or ICX, at the typical offline merchant mobile POS. Static QR barcodes that are an unsecured, 1-way, low data-density, solution for mobile financial transactions. Our patented mobile optical security network provides the security required for digital currencies, such as BitCoin at the merchant POS, via common mobile devices. It also enables digital itemized receipt sharing with the customer, at the POS, as possibly mandated by law in 3 years.

MetaSepia's novel approach offers a solution that is unmatched by other services such as NFC, Samsung Loop Pay, and typical QR/barcode-based mobile instore payment systems. This novel approach obtains the receipt at the transaction moment and in the specific devices, writing it onto the blockchain and reducing non-repudiation and chargebacks, while securely storing it in a customer receipts utility. We provide an enhanced, social media-type interactive customer experience at the POS, in addition to receipt automation, such as auto-expense reporting for T/E, auto warranty submission and documentation, based on digital receipt sharing and services.

MetaSepia allows customers to use personalized images in place of industrial QR codes, thereby engaging them with their purchase and enabling personalized merchant communication initiatives. "We believe this personalization leads to interactions with employees that lead to repeat customers," said David Watkins, CEO of MetaSepia. "Pioneered by companies like Amazon and Facebook, personalization can both increase customer engagement and build loyalty." MetaSepia is currently in development, and pre-product.

The MetaSepia Optical to Optical solution will utilize serialized color pixels, possibly near-visible, embedded in consumer images and merchant display images, providing an increase in security and value via mutually authenticated and encrypted dynamic data payload sharing at the POS. The mobile devices will auto-pair at the transaction moment to develop a Trusted Transaction Environment, or mobile TTE, via PKI key exchange on blockchain.

This enables highly secure, high-value transactions supportive of digital currencies, and the ability to build new loyalty and engagement programs shared between merchant and consumer at the mobile checkout. Consumer-personalized images and the ICX offered by secure bidirectional payments sharing @POS create an emotional transaction opportunity for retailers looking to create a differentiated solution that encourages customer loyalty via a valued and highly-personalized transaction experience.

Strong technology backed by blockchain security

"With three issued utility patents, blockchain security hosting of user images and participating merchant's rewards/images/receipts/digital wallets and crypto payments/etc., we believe we can dramatically enhance the in-store mobile ICX payments experience while delivering novel advanced security at the final moment of a store customer's experience," said Kerry Brown, founder and CTO of MetaSepia, and cofounder/CTO of Vivotech, an early pioneer of mobile NFC. The MetaSepia solution will work with most existing mobile instore mobile POS retail transaction processing systems that represent nearly 90% of all financial transactions.

MetaSepia, Inc. is a Secure Data Management Platform for Mobile instore payments

This press release contains projections and other forward-looking statements regarding future events or our future financial performance. All statements other than present and

historical facts and conditions contained in this release, including any statements regarding our future results of operations and financial positions, business strategy, plans and our objectives for future operations, are forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended). These statements are only predictions and reflect our current beliefs and expectations with respect to future events and are based on assumptions and subject to risk and uncertainties and subject to change at any time. We operate in a very competitive and rapidly changing environment. New risks emerge from time to time. Given these risks and uncertainties, you should not place undue reliance on these forward-looking statements. Actual events or results may differ materially from those contained in the projections or forward-looking statements. Some of the factors that could cause actual results to differ materially from the forward-looking statements contained herein include, without limitation: (i) the contraction or lack of growth of markets in which we compete and in which our products are sold (ii) unexpected increases in our expenses, including manufacturing expenses, (iii) our inability to adjust spending quickly enough to offset any unexpected revenue shortfall, (iv) delays or cancellations in spending by our customers, (v) unexpected average selling price reductions, (vi) the significant fluctuation to which our quarterly revenue and operating results are subject due to cyclicality in the wireless communications industry and transitions to new process technologies, (vii) our inability to anticipate the future market demands and future needs of our customers, (viii) our inability to achieve new design wins or for design wins to result in shipments of our products at levels and in the timeframes we currently expect, (ix) our inability to execute on strategic alliances, (x) the impact of natural disasters on our sourcing operations and supply chain, and(xi) other factors detailed in documents we file from time to time with the Securities and Exchange Commission. Forward-looking statements in this release are made pursuant to the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995.