



Paragon Announces Settlement with the U.S. Securities and Exchange Commission

December 14, 2018 (Los Angeles, CA) – Paragon Coin, Inc. (“Paragon” or the “Company”), announced on November 16, 2018 that it had reached a settlement with the U.S. Securities and Exchange Commission (“SEC”) related to Paragon’s offer and sale of PRG Tokens in its initial coin offering (“ICO”) in 2017.

The settlement with the SEC provides for entry of an administrative cease-and-desist order that requires, among other things, compliance with certain provisions of the federal securities laws and regulations (the “SEC Settlement”). Under the terms of the SEC Settlement, the Company will file a Form 10 to register the PRG Tokens under Section 12(g) of the Securities Exchange Act of 1934 as a class of securities, maintain that registration and make timely filings as required for at least one year, and pay a civil monetary penalty of \$250,000.

In addition, under the terms of the SEC Settlement, the Company will administer a claims procedure available to purchasers who purchased PRG Tokens from the Company before and including October 15, 2017. Pursuant to that claims procedure, purchasers of PRG Tokens from the Company before and including October 15, 2017 who are eligible, who elect to participate, and who timely submit a complete Claim Form along with required supporting documentation will be permitted to tender their PRG Tokens to the Company in exchange for payment of the amount due under Section 12(a) of the Securities Act. The Company will distribute a Claim Form in accordance with the terms of the SEC Settlement. As required by the SEC Settlement, the Company will submit a monthly report to the SEC of the claims received and the claims paid under its voluntary claims procedure, including (a) identifying information about each claimant; (b) the amount of each claim; (c) the resolution of each claim, including the amount of each payment; (d) identification of all claims not paid and the reasons for all non-payment of claims; and (e) a list of all complaints received and how the Company addressed each complaint. The SEC Order and Claim Form are available at <https://www.sec.gov/litigation/admin/2018/33-10574.pdf> https://paragoncoin.com/Claim_Form.pdf

About Paragon

Paragon seeks to pull the cannabis community from marginalized to mainstream by building blockchain into every step of the cannabis industry and working toward full legalization. Our strength lies in the unique blockchain/cannabis connection that uses smart contracts. We believe in blockchain, and we believe in the benefits of cannabis. More uses of cannabis are coming to light, and we want to accelerate that process. We believe cannabis is good for

individuals and good for countries. We are passionate about moving forward in an ethical, morally responsible, and legal way. To learn more about Paragon, visit <https://paragoncoin.com/> or follow us at <https://twitter.com/paragoncoin>.

Forward Looking Statements

This press release contains forward-looking statements of the Company that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this press release are forward-looking statements. Forward looking statements can be identified by the use of the words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue,” and similar expressions. The forward-looking statements in this press release represent the Company’s views as of the date of this press release. The Company anticipates that subsequent events and developments will cause its views to change. However, while it may elect to update these forward-looking statements at some point in the future, it has no current intention of doing so except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing the Company’s views as of any date subsequent to the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.

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