

**DEAL PRO CAPITAL CORPORATION**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
AND  
MANAGEMENT INFORMATION CIRCULAR**

**Dated: July 11, 2022**

**Meeting Details**

**Date:** August 10, 2022  
**Time:** 4:00 p.m. (Toronto time)  
**Place:** Virtual



## **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Deal Pro Capital Corporation (the “**Company**”) will be held as a virtual-only meeting on the 10<sup>th</sup> day of August, 2022, at 4:00 p.m. (Toronto time) for the following purposes:

- (a) to receive the audited consolidated financial statements of the Company as at and for the period of incorporation on June 11, 2021 to the financial year ended December 31, 2021, together with the reports of the auditor thereon;
- (b) to re-appoint RSM Canada LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the board of directors to fix the remuneration of the auditor;
- (c) to elect directors to hold office for the ensuing year; and
- (d) to re-approve the Company’s stock option plan, as set out under the heading the “*Approval of Stock Option Plan*” in the attached Information Circular;

The specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the Information Circular.

**In order to proactively mitigate risks to the health and safety of our communities, Shareholders, employees and other stakeholders, the Company does not intend to hold the Meeting in person and Shareholders will not be able to vote such Shareholder’s Common Shares at the Meeting by virtual attendance. The Meeting will be held by way of Zoom video conference on August 10, 2022 at 4:00 p.m. (Toronto time). To access the Meeting through Zoom, Shareholders will need to download the application onto their computer or smartphone and once the application is loaded, open the following link: <https://cassels.zoom.us/j/91083670977?pwd=VUFqOUptQzNQURZSjdTOUs0dWRJdz09>. The Meeting ID is 910 8367 0977 and the Passcode is 129862. The Meeting will not be held in person.**

**Shareholders that wish to ensure that such Shareholder’s Common Shares will be voted at the Meeting must vote their Common Shares by completing and returning the enclosed form of proxy in accordance with the instructions set out in the form of proxy and in the Information Circular prior to the proxy cut-off at 4:00 p.m. (Toronto time) on August 8, 2022.**

As set out in the notes, the enclosed proxy is solicited by management, but, you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided, the name of the person you wish to represent you at the Meeting.

**DATED** this 11<sup>th</sup> day of July, 2022

By order of the Board of Directors

**DEAL PRO CAPITAL CORPORATION**

*“Harold Wolkin”*

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**Harold Wolkin**  
Director, CEO, CFO

## **MANAGEMENT INFORMATION CIRCULAR**

(containing information as at July 11, 2022 unless otherwise stated)

### **For the Annual General and Special Meeting to be held on August 10, 2022**

#### **SOLICITATION OF PROXIES**

This Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management (the “**Management**”) of Deal Pro Capital Corporation (the “**Company**”), for use at the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of the common shares (the “**Common Shares**”) in the capital of the Company to be held on August 10, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment or postponement thereof.

#### **Impact of COVID-19**

In order to proactively mitigate risks to the health and safety of our communities, Shareholders, employees and other stakeholders, the Company does not intend to hold the Meeting in person and Shareholders will not be able to vote such Shareholder’s Common Shares at the Meeting by virtual attendance. The Meeting will be held by way of Zoom video conference on August 10, 2022 at 4:00 p.m. (Toronto time). To access the Meeting through Zoom, Shareholders will need to download the application onto their computer or smartphone and once the application is loaded, open the following link:: <https://cassels.zoom.us/j/91083670977?pwd=VUFqOUptQzNQFRZSjdTOUs0dWRJdz09>. The Meeting ID is 910 8367 0977 and the Passcode is 129862. **The Meeting will not be held in person.**

Shareholders that wish to ensure that such Shareholder’s Common Shares will be voted at the Meeting must vote their Common Shares by completing and returning the enclosed form of proxy (the “**Proxy**”) in accordance with the instructions set out in the Proxy and in the Circular prior to the proxy cut-off at 4:00 p.m. (Toronto time) on August 8, 2022.

The enclosed Proxy is solicited by Management. The solicitation will be primarily by mail however, Proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

#### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the Proxy are representatives of the Company.

**A Shareholder entitled to vote at the Meeting has the right to appoint a person (who need not be a Shareholder) to attend and act on the Shareholder’s behalf at the Meeting other than the persons named in the accompanying Proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the accompanying Proxy and insert the name of the Shareholder’s nominee in the blank space provided or complete another suitable form of proxy.**

A Proxy will not be valid unless it is duly completed, signed and deposited with the Company’s registrar and transfer agent, TSX Trust Company (“**TSX Trust**”) by hand or mail at 301-100 Adelaide St W, Toronto, ON M5H 4H1, or by fax within North America at (416) 595-9593 or via email to [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. A Proxy must be signed by the Shareholder or by his or her attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a Proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer and deposited by hand or mail with TSX Trust at the 301-100 Adelaide St W, Toronto, ON M5H 4H1, or by fax within North America at

(416) 595-9593 or via email to [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com), at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement of it, at which the Proxy is to be used, or to the Chairperson of the Meeting on the day of the Meeting or any adjournment or postponement of it. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

These security holder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

### **VOTING BY PROXYHOLDER**

#### **Manner of Voting**

The Common Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice on the Proxy with respect to any matter to be acted upon, the Common Shares will be voted accordingly. On any poll, the persons named in the Proxy (the “**Proxyholders**”) will vote the Common Shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the Proxyholder will do so in accordance with such direction.

The Proxy, when properly signed, confers discretionary authority on the Proxyholder with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Circular, Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the Proxyholder.

**In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.**

#### **Voting Thresholds Required for Approval**

In order to approve a motion proposed at the Meeting, a majority of at least one-half of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, Common Shares held by Shareholders of the Company who are also “insiders”, as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

### **ADVICE TO REGISTERED SHAREHOLDERS**

Shareholders whose names appear on the records of the Company as the registered holders of Common Shares (the “**Registered Shareholders**”) may choose to vote by Proxy whether or not they are able to attend the Meeting.

Registered Shareholders who choose to submit a Proxy may do so by completing, signing, dating and depositing the Proxy with TSX Trust at 301-100 Adelaide St W, Toronto, ON M5H 4H1, or by fax within North America at (416) 595-9593 or via email to [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. The Proxy may be signed by the Shareholder or by his or her attorney in writing, or, if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

#### **Returning your Proxy Form**

To be effective, TSX Trust must receive your completed Proxy or voting instruction form no later than 4:00 p.m. (Toronto time) on August 8, 2022.

If the Meeting is postponed or adjourned, TSX Trust must receive your completed Proxy not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned or postponed Meeting at which the Proxy is to be used. Late proxies may be accepted or rejected by the Chairperson of the Meeting at their discretion and they are under no obligation to accept or reject a late Proxy. The Chairperson of the Meeting may waive or extend the proxy cut-off without notice.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Common Shares in their own name.**

Shareholders who do not hold their Common Shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Registered Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those Common Shares will not be registered in the Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of such Common Shares are registered under the name CDS & Co. (being the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held. The Common Shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, an intermediary and its agents are prohibited from voting Common Shares for the intermediary’s clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The purpose of the Proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such Common Shares on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications (“**Broadridge**”). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Common Shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such Common Shares are voted.**

A Beneficial Shareholder may revoke a Proxy or voting instruction form or a waiver of the right to receive Meeting materials and to vote which has been given to their intermediary at any time by written notice to the intermediary, provided that the intermediary is not required to act on a revocation of a Proxy or voting instruction form or of a waiver of the right to receive Meeting materials and to vote, which is not received by the intermediary at least seven days prior to the Meeting. If you have any questions regarding the voting of Common Shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

Beneficial Shareholders who have not objected to their intermediary disclosing certain beneficial ownership information about them to the Company are referred to as “**NOBOs**”. Beneficial Shareholders who have objected to their intermediary disclosing their ownership information to the Company are referred to as “**OBOs**”. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has elected not to send

the proxy-related materials for use in connection with the Meeting directly to NOBOs and has distributed copies of the materials to intermediaries for distribution to Beneficial Shareholders pursuant to the “indirect” sending procedures set out in NI 54-101. The Company intends to pay for an intermediary to deliver the proxy related materials and voting instruction forms to NOBOs and OBOs.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Except as otherwise disclosed herein, none of the directors or officers of the Company, at any time since the beginning of the Company’s last financial year, nor any proposed nominee for election as a director, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors or the appointment of auditors. Directors and officers may, however, be interested in the approval of the Option Plan (as defined below) as detailed under the heading “*Approval of Stock Option Plan*” below, as such persons are entitled to participate in the Option Plan.

### **RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

A Shareholder of record at the close of business on July 11, 2022 (the “**Record Date**”) who either personally attends the Meeting or who has completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's Common Shares voted at the Meeting, or any adjournment or postponement thereof.

The Company's authorized capital consists of an unlimited number of Common Shares without par value. As at the Record Date, the Company had 8,207,001 Common Shares issued and outstanding, each share carrying the right to one vote.

### **Principal Holders of Voting Securities**

To the best of knowledge of the directors and officers of the Company, as of the date of the Circular, no persons or corporations beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than ten percent (10%) of the voting rights attached to all outstanding Common Shares of the Company.

### **EXECUTIVE COMPENSATION**

For the purpose of this Circular:

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-Based Payments*;

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) the most highly compensated executive officer, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year.

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

## **Statement of Executive Compensation**

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation* and sets forth compensation for each of the NEOs and directors of the Company.

### **Director and NEO Compensation, Excluding Options and Compensation Securities**

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO, in any capacity, for the most recently completed financial years:

<b>Name and position</b>	<b>Year <sup>(1)</sup></b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
<b>Harold Wolkin</b> <i>Director, CEO and CFO</i>	2021 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Norman Levine</b> <i>Director</i>	2021 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Vassilios Mitoulas</b> <i>Director</i>	2021 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Ralph Garcea</b> <i>Vice President, Business Development</i>	2021 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Lorne Gertner</b> <i>Vice President</i>	2021 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil

(1) For the period from incorporation on June 11, 2021 to December 31, 2021.

## Stock Options and Other Compensation Securities

The following table sets forth the option-based awards granted to the NEOs and directors of the Company since incorporation:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$) <sup>(2)</sup>	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Harold Wolkin<sup>(3)</sup></b> <i>Director, CEO and CFO</i>	Stock Options <sup>(4)</sup>	154,054 1.88%	June 25, 2021	0.05	N/A	0.10	June 25, 2031
	Stock Options <sup>(4)</sup>	67,757 0.83%	October 22, 2021	0.10	N/A	0.10	October 22, 2031
<b>Norman Levine<sup>(5)</sup></b> <i>Director</i>	Stock Options <sup>(4)</sup>	30,811 0.38%	June 25, 2021	0.05	N/A	0.10	June 25, 2031
	Stock Options <sup>(4)</sup>	13,551 0.17%	October 22, 2021	0.10	N/A	0.10	October 22, 2031
<b>Vassilios Mitoulas<sup>(6)</sup></b> <i>Director</i>	Stock Options <sup>(4)</sup>	154,054 1.88%	June 25, 2021	0.05	N/A	0.10	June 25, 2031
	Stock Options <sup>(4)</sup>	67,757 0.83%	October 22, 2021	0.10	N/A	0.10	October 22, 2031
<b>Ralph Garcea<sup>(7)</sup></b> <i>Vice President, Business Development</i>	Stock Options <sup>(4)</sup>	154,054 1.88%	June 25, 2021	0.05	N/A	0.10	June 25, 2031
	Stock Options <sup>(4)</sup>	67,757 0.83%	October 22, 2021	0.10	N/A	0.10	October 22, 2031
<b>Lorne Gertner<sup>(8)</sup></b> <i>Vice President</i>	Stock Options <sup>(4)</sup>	77,027 0.94%	June 25, 2021	0.05	N/A	0.10	June 25, 2031
	Stock Options <sup>(4)</sup>	33,878 0.41%	October 22, 2021	0.10	N/A	0.10	October 22, 2031

(1) Percentage of class represents % of compensation securities granted over the total number of the class of underlying securities of the Company outstanding as of December 31, 2021.

(2) The Common Shares began trading on the TSX Venture Exchange on October 28, 2021.

(3) As at December 31, 2021, Mr. Wolkin held a total of 221,811 Options.

(4) Granted pursuant to the provisions of the Option Plan as further described herein in the section entitled "Approval of Stock Option Plan."

(5) As at December 31, 2021, Mr. Levine held a total of 44,362 Options.

(6) As at December 31, 2021, Mr. Mitoulas held a total of 221,811 Options.

(7) As at December 31, 2021, Mr. Garcea held a total of 221,811 Options.

(8) As at December 31, 2021, Mr. Gertner held a total of 110,905 Options.

## **Exercise of Compensation Securities by Directors and NEOs**

No NEO or director of the Company exercised compensation securities from the period of incorporation on June 11, 2021 to the end of the financial year ended December 31, 2021.

## **Stock Option Plans and Other Incentive Plans**

The board of directors of the Company (the “**Board**”) adopted an incentive stock option plan for the Company (the “**Option Plan**”), a copy of which is attached to this Circular as Schedule “A”, under which the directors were authorized to grant options (the “**Options**”) to purchase up to ten percent (10%) of the Common Shares from time to time. At the Meeting, the Company’s Shareholders will be asked to ratify the Option Plan.

The purpose of the Option Plan is to attract and motivate directors, officers and employees of and consultants to the Company and its subsidiaries and thereby advance the Company’s interests by affording such persons with an opportunity to acquire an equity interest in the Company through the Options. For further information regarding the terms of the Option Plan, refer to the heading below “*Approval of Stock Option Plan*”.

Under the policies of the TSX Venture Exchange (the “**Exchange**”), a rolling stock option plan must be re-approved on a yearly basis by Shareholders.

As of the Record Date, there are 820,700 Options outstanding under the Option Plan, all of which are held by NEOs or directors of the Company.

## **Employment, Consulting and Management Agreements**

The Company does not have any contracts, agreements, plans or arrangements that provide for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO’s responsibilities.

## **Oversight and Description of Director and NEO Compensation**

The compensation of the Company’s NEOs is determined by the Board. As a capital pool company, the Company is currently prohibited from paying directors, officers or other non-arm’s length parties or to persons engaged in investor relations activities pursuant to policy 2.4 of the Exchange’s Corporate Finance Manual until it has completed a qualifying transaction and a final bulletin has been issued by the Exchange. The Company is permitted to reimburse non-arm’s length parties for rent, secretarial services and other general and administrative expenses at fair market value.

As a result, the Company does not have a formal compensation program and relies upon the grant of Options pursuant to the Option Plan to provide compensation to the NEOs and directors. Option grants are designed to reward the NEOs for success on a similar basis as the Shareholders, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs.

When new Options are granted, the Board takes into account the previous grants of Options, the number of Options currently held, position, overall individual performance, anticipated contribution to the Company’s future success and the individual’s ability to influence corporate and business performance. The purpose of granting such Options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the Shareholders. The exercise price of the Options granted is determined by the trading price of the Common Shares at the time of grant.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company’s financial resources and prospects.

## **Pension Plan Benefits**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2021:

<b>Equity Compensation Plan Information</b>			
<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	820,700	\$0.065	Nil
Total	820,700	\$0.065	Nil

(1) Represents the Option Plan of the Company, which reserves a number of Common Shares equal to 10% of the then outstanding Common Shares from time to time for issue pursuant to stock options. For further information on the Option Plan, refer to the heading "Approval of Stock Option Plan."

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein, no "informed persons" of the Company (as defined in NI 51-102), nor any proposed nominee for election as a director of the Company, nor any person who beneficially owns, directly or indirectly, Common Shares carrying more than ten percent (10%) of the voting rights attached to the issued and outstanding Common Shares, nor any associate or affiliate of the foregoing persons, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected the Company or would materially affect the Company, or any of its subsidiaries.

## **MANAGEMENT CONTRACTS**

The management functions of the Company are not, to any substantial degree, performed by persons other than the directors and officers.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

To the knowledge of the Board, the only matters to be brought before the Meeting are set forth in the accompanying Notice of Meeting. These matters are described in more detail under the headings below.

## **Presentation of Financial Statements**

The Board has approved the audited consolidated financial statements for the period of incorporation on June 11, 2021 to December 31, 2021, together with the auditor's report thereon. Copies of these financial statements have been sent to all Shareholders and are also available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at [www.sedar.com](http://www.sedar.com).

## Appointment and Remuneration of Auditor

RSM Canada LLP (“RSM”) is the Company’s auditor and was first appointed as the Company’s auditor on June 25, 2021. Management is recommending the re-appointment of RSM as auditor for the Company, to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board.

**Management recommends a vote FOR the appointment of RSM as the Company’s auditor to hold office until the next annual general meeting of Shareholders at a remuneration to be fixed by the Board. In the absence of instructions to the contrary, the enclosed Proxy will be voted FOR such resolution.**

## Election of Directors

The Board currently consists of three directors. The term of office for each of the present directors of the Company expires at the Meeting. The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. **Management recommends a vote FOR the nominees listed in this Circular. In the absence of instructions to the contrary, the enclosed Proxy will be voted FOR such resolution.**

Management does not contemplate that any such nominee will be unable to serve as a director; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies in favour of management designees will be voted FOR another nominee in their discretion unless the Shareholder has specified in his or her Proxy that his or her Common Shares are to be withheld from voting in the election of directors.**

The following table sets out the names of the nominees for election as directors, their jurisdiction of residence, the office(s) they hold within the Company, their principal occupations (and, if not previously elected as a director, their principal occupations during the last five years), the date since when they have been a director of the Company, and the number of Common Shares of the Company which each beneficially owns directly or indirectly or over which control or direction is exercised as of the date of this Circular:

<b>Name, Province and Country of ordinary residence, and positions held with the Company<sup>(1)</sup></b>	<b>Principal occupation and, IF NOT an elected Director, principal occupation during the past five years<sup>(1)</sup></b>	<b>Date(s) serving as a Director<sup>(2)</sup></b>	<b>No. of Common Shares beneficially owned or controlled<sup>(1)</sup></b>
<b>Harold Wolkin<sup>(3)(4)</sup></b> <i>Ontario, Canada</i> <i>Director, CEO and CFO</i>	Retired. Former Managing Director of BMO Capital Markets, Former Executive Vice President and Head of Investment Banking of Dundee Capital Markets	Since June 11, 2021	1,000,001
<b>Norman Levine<sup>(3)</sup></b> <i>Ontario, Canada</i> <i>Director</i>	Portfolio Manager, Brook Wagman Group, Raymond James Investment Counsel Ltd.	Since June 11, 2021	200,000
<b>Vassilios Mitoulas<sup>(3)</sup></b> <i>Ontario, Canada</i> <i>Director</i>	Principal of Venture North Capital Inc.	Since June 25, 2021	1,000,000

(1) This information, not being within the knowledge of the Company, has been furnished by the respective nominees. Information provided as at the Record Date.

(2) The Company does not set expiry dates for the terms of office of directors. Each director holds office as long as they are elected annually by Shareholders at Annual General Meetings, unless their office is earlier vacated in accordance with the Articles of the Company.

(3) Member of the Audit Committee of the Board.

(4) 1,000,000 of Harold Wolkin's Common Shares are held jointly by Harold and/or Shelley Wolkin.

### **Director Biographies**

*Harold Wolkin, Chief Executive Officer, Chief Financial Officer and Director, Age 70*

Mr. Wolkin is an accomplished investment banker and financial analyst (retired) with over 30 years of experience. In 1983, Mr. Wolkin joined BMO Nesbitt Burns as a senior research analyst. He went on to serve as managing director in the Diversified Industries Group of BMO Capital Markets from August 1983 to January 2008. He represented BMO Nesbitt Burns as a lead underwriter for a number of Canada's largest equity offerings from 1992 to 2008. He was also responsible for the origination and the successful marketing of a large number of initial public offerings and equity financings for a wide range of issuers.

Most recently, Mr. Wolkin served as Executive Vice-President and Head of Investment Banking for Dundee Capital Markets. Since 2004, he has also served on a number of public company and not-for-profit organizations. He currently serves as: (i) a director and audit committee chair of Baylin Technologies Inc. (TSX: BYL), (ii) Lead Independent director and audit committee chair of Cipher Pharmaceuticals Inc. (TSX: CPH), (iii) a director of EnviroGold Global Limited (CSE: NVRO), (iv) a director and Chairman of the Board of BYND Cannasoft Enterprises Inc. (CSE: BYND), and (v) a director of Ceres Global Ag Corp. (TSX: CRP). He was also the president of the CFA Society Toronto, a member of the Chartered Financial Institute since 1980 and is a certified chartered financial analyst. He received a Bachelor of Arts in Economics from York University and a Masters of Arts in Economics and Finance from the University of Toronto. Mr. Wolkin is also a graduate and a member of the Institute of Corporate Directors.

*Norman Levine, Director, Age 70*

Mr. Levine, a Chartered Financial Analyst since 1980, is a Portfolio Manager at Brook Wagman Group Raymond James Investment Counsel. Born in Toronto, Ontario, Mr. Levine graduated from York University with a BA and from Syracuse University with an MBA. He has 47 years of investment experience as an account executive, research analyst, portfolio manager and investment strategist at Merrill Lynch Royal Securities, Crown Life Insurance, Canada Trust, Barclays McConnell, BMO Nesbitt Burns, and Portfolio Management Corporation. His community activities include volunteer work for the UJA Federation of Greater Toronto as well as Chairman of the Investment Advisory Committee of the United Jewish Welfare Fund of Greater Toronto and a member of the Professional Advisory Committee of the Jewish Federation. Norman is a director of Ve'ahavta, A Jewish Humanitarian Response To Poverty as well as a director of Maple Downs Golf and Country Club. Norman is also a member of the investment committees for Holland Bloorview Kids Rehabilitation Hospital fund and the Greater Toronto Scouts Foundation endowment fund. He is a former director of the Toronto CFA Society. Norman regularly appears on BNN Bloomberg and was recently featured in the book "Market Masters" by Robin Speziale.

*Vassilios Mitoulas, Director, Age 47*

Mr. Mitoulas has been the Principal of Venture North Capital Inc. since July 2011, a company headquartered in Toronto, Canada, providing full-service capital markets consulting services to publicly listed companies. Venture North's core business competency is executing strategic investor relations outreach campaigns and corporate advisory services to a select few TSX, TSX Venture, and CSE listed growth companies in a variety of sectors. Mr. Mitoulas holds a Bachelor of Business Administration major in Finance from the University of Notre Dame.

### **Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions**

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

None of the proposed directors, including any personal holding company of a proposed director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director, or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### **Approval of Stock Option Plan**

Under the policies of the Exchange, all listed companies with a ten percent (10%) rolling stock option plan must obtain Shareholder approval of such plan on a yearly basis.

Accordingly, Shareholders will be asked to pass a resolution re-approving the Company's Option Plan to accommodate the Exchange's policies governing stock option plans. The details of the Option Plan are set forth below. This summary is qualified in its entirety by reference to the Option Plan, which is attached hereto as Schedule "A".

1. The maximum number of Common Shares that may be issued upon the exercise of Options granted under the Option Plan shall be a number equal to ten percent (10%) of the issued and outstanding Common Shares of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be lower than the exercise price permitted by the Exchange.
2. Options shall only be granted to Participants. A Participant means a director, officer, employee or consultant of the Company.
3. The Board shall not grant Options to any one person in any twelve (12) month period which will, when exercised, exceed five percent (5%) of the issued and outstanding Common Shares or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed two percent (2%) of the issued and outstanding Common Shares.
4. Upon expiry of an Option, or in the event an option is otherwise terminated for any reason, the number of Common Shares in respect of the expired or terminated option shall again be available for the purposes of the Option Plan. All Options granted under the Option Plan may not have an

expiry date exceeding ten (10) years from the date on which the board of directors grant and announce the granting of the Option.

5. If the option holder ceases to be a director, officer, consultant or employee of the Company for any reason (other than by reason of death), then the Option granted shall expire on no later than the earlier of the expiry date of the Option or 90 days after the option holder ceases to be a director, officer, consultant or employee of the Company, as the case may be, subject to the terms and conditions set out in the Option Plan. However, if the Participant does not continue to be a director, officer, consultant, employee of the resulting issuer upon completion of the Company's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the Options granted pursuant to the Option Plan must be exercised by the Participant within the later of twelve (12) months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the resulting issuer.
6. The exercise price per Option granted while the Company is a capital pool company cannot be less than the greater of the price of the IPO Shares (as defined in the policies of the Exchange) price and the Discounted Market Price (as defined in the policies of the Exchange).

### ***The Stock Option Plan Resolution***

At the Meeting, Shareholders will be asked to pass a resolution approving the Option Plan (the "**Stock Option Plan Resolution**"), substantially in the following form:

**"BE IT RESOLVED THAT** the Company's Option Plan be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the Exchange, as the directors of the Company may deem necessary or advisable."

**Management recommends that Shareholders vote FOR the Stock Option Plan Resolution.** If the Stock Option Plan Resolution is approved by Shareholders, the directors will have the authority, in their sole discretion, to implement or revoke the Stock Option Plan Resolution and otherwise implement or abandon the Option Plan.

**In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, FOR the Stock Option Plan Resolution.**

### **OTHER MATTERS**

As of the date of this Circular, management knows of no other matters to be acted upon at the Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

### **AUDIT COMMITTEE DISCLOSURE**

The Charter of the Company's audit committee and other information required to be disclosed by National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") is attached to this Circular as Schedule "B".

### **CORPORATE GOVERNANCE DISCLOSURE**

The information required to be disclosed by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* is attached to this Circular as Schedule "C".

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the Company's Financial Statements and Management Discussion and Analysis may be obtained without charge upon request from the Company, at 40 King Street West, Suite 2100, Toronto, ON M5H 3C2.

**DIRECTOR APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders have been approved by the directors.

**DATED** at Toronto, Ontario, this 11<sup>th</sup> day of July, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS  
DEAL PRO CAPITAL CORPORATION**

*"Harold Wolkin"*

**Harold Wolkin  
Director, CEO and CFO**

## SCHEDULE "A"

### STOCK OPTION PLAN

#### 1. PURPOSE

The purpose of the Stock Option Plan (the "**Plan**") of Deal Pro Capital Corporation, a corporation incorporated under *the Business Corporations Act* (Ontario) (the "**Corporation**") is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

#### 2. ADMINISTRATION

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

The Board shall ensure that Participants (defined below) under the Plan are eligible to participate under the Plan, and, if required by the Exchange (defined below), shall represent and confirm that the Participant is a bona fide employee, consultant or management company employee (as defined in the policies of the Exchange) and such Participant shall represent that he or she is a bona fide employee, consultant or management company employee.

#### 3. STOCK EXCHANGE RULES

All options granted pursuant to this Plan shall be subject to the rules and policies of any stock exchange or exchanges on which the Shares are then listed and any other regulatory body having jurisdiction (hereinafter collectively referred to as, the "**Exchange**").

Without limiting the generality of the foregoing, during such period as the Shares are listed for trading on the Exchange:

- a) the Exchange Hold Period (as defined in the policies of the Exchange) will apply to all options granted to Insiders of the Corporation (as defined in the policies of the Exchange) and to all options granted at a discount to the Market Price (as defined in the policies of the Exchange); and
- b) any acceleration or removal of required Exchange vesting provisions are subject to the prior written approval of the Exchange.

#### **4. SHARES SUBJECT TO PLAN**

Subject to adjustment as provided in Section 17 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

However, other than in connection with a "Qualifying Transaction" (as defined in Policy 2.4 of the Exchange) or otherwise accepted by the Exchange, during the time that the Corporation is a "Capital Pool Company" (as defined in Policy 2.4 of the Exchange), the aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the common shares of the Corporation issued and outstanding at the closing of the Corporation's initial public offering.

#### **5. MAINTENANCE OF SUFFICIENT CAPITAL**

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

#### **6. ELIGIBILITY AND PARTICIPATION**

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries ("**Management Company Employees**") shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as "**Participants**"). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

#### **7. EXERCISE PRICE**

(a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.

(b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may only be reduced if at least 6 months have elapsed since the later of the date of the commencement of the term, the date the Corporation's shares commenced trading or the date the exercise price was reduced. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

#### **8. NUMBER OF OPTIONED SHARES**

(a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.

(b) No single Participant may be granted options to purchase a number of Shares equalling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.

(c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).

(d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than ¼ of the options vesting in any 3 month period.

(e) The aggregate number of options granted and outstanding to Eligible Charitable Organizations (as defined in the policies of the Exchange) must not at any time exceed 1% of the issued Shares of the Corporation, as calculated immediately subsequent to the grant of any options to Eligible Charitable Organizations, and any such options must expire after the earlier of (i) ten years from the date of grant; and (ii) ninety days after the optionee ceases to be an Eligible Charitable Organizations.

(f) The maximum aggregate number of common shares of the Corporation that are issuable pursuant to all security based compensation (as defined in the policies of the Exchange) granted or issued to insiders of the Corporation (as defined in the policies of the Exchange) (as a group) must not exceed 10% of the issued common shares of the Corporation at any point in time (unless the Corporation has obtained the requisite disinterested shareholder approval).

(g) The maximum aggregate number of common shares of the Corporation that are issuable pursuant to all security based compensation (as defined in the policies of the Exchange) granted or issued in any 12 month period to insiders of the Corporation (as defined in the policies of the Exchange) (as a group) must not exceed 10% of the issued common shares of the Corporation, calculated as at the date any security based compensation is granted or issued to any insider (unless the Corporation has obtained the requisite disinterested shareholder approval).

## **9. DURATION OF OPTION**

(a) Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange, being 10 years for the TSX Venture Exchange. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the term of an option may be extended only if disinterested shareholder approval is obtained.

(b) Subject to compliance with Exchange Policy 4.4, the expiry date of an option granted hereunder will be automatically extended if such expiry date falls within a blackout period during which the Corporation prohibits optionees from exercising their options. Such automatic extension shall in no event exceed 10 days following the end of such blackout period.

## **10. OPTION PERIOD, CONSIDERATION AND PAYMENT**

(a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.

(b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.

(c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.

(d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.

(e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

## **11. CEASING TO BE A DIRECTOR, OFFICER, CONSULTANT OR EMPLOYEE**

(a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.

(b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within the later of 12 months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the Resulting Issuer.

(c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

## **12. DEATH OF PARTICIPANT**

Notwithstanding Section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

(a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and

(b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

## **13. CAPITAL POOL COMPANY RESTRICTIONS**

As long as the Corporation is classified as a "Capital Pool Company" or a "CPC" (as defined in Policy 2.4 of the Exchange), the terms and conditions of the Plan will remain subject to the following specific restrictions:

(a) Options granted by the CPC may only entitle the Participant to acquire Shares of the CPC. Options may only be granted to a director or officer of the CPC, and where permitted by applicable securities legislation, a technical consultant whose particular industry expertise in relation to the business of the Vendors (as defined in Policy 2.4 of the Exchange) or the Target Company (as defined in Policy 2.4 of the Exchange), as the case may be, is required to evaluate the proposed Qualifying Transaction, or a company, all of whose securities are owned, directly and indirectly, by such a director, officer or technical consultant.

- (b) The number of Shares reserved for issuance pursuant to Options to any individual director or officer may not exceed 5% of the Shares outstanding at the time of issuance. The number of Shares reserved for issuance pursuant to Options to all technical consultants may not exceed 2% of the Shares outstanding at the time of issuance. Options granted by a CPC are subject to the percentage limitations set forth in Policy 4.4 of the Exchange.
- (c) The CPC is prohibited from granting Options to any person providing Investor Relations Activities (as defined in the policies of the Exchange), promotional or market-making services.
- (d) The exercise price per Share under any Option granted by a CPC subsequent to closing its IPO (as defined in Policy 1.1 of the Exchange) cannot be less than the greater of the IPO Share (as defined in Policy 2.4 of the Exchange) price and the Discounted Market Price (as defined in the policies of the Exchange).
- (e) The exercise price per Share under any Option granted by a CPC prior to closing its IPO cannot be less than the lowest price at which Seed Shares (as defined in Policy 2.4 of the Exchange) were issued by the CPC.

#### **14. ESCROW**

- (a) All Options issued, and any Shares acquired on exercise of Options, prior to the Completion of the Qualifying Transaction must be deposited in escrow under the CPC Escrow Agreement (as defined in Exchange Policy 2.4) and will be subject to escrow until the Final QT Exchange Bulletin (as defined in Exchange Policy 2.4) is issued, subject to Section 14(b).
- (b) All Options granted prior to the date of the Final QT Exchange Bulletin and any Shares acquired on exercise of Options that were issued prior to the date of the Final QT Exchange Bulletin will be released from escrow on the date of the Final QT Exchange Bulletin, other than Options that were granted prior to the Corporation's IPO with an exercise price that is less than the issue price of the IPO Shares and any Shares that were issued pursuant to the exercise of such Options will be released from escrow in accordance with the schedule set out in Exchange Policy 2.4 and the CPC Escrow Agreement.

#### **15. RIGHTS OF OPTIONEE**

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

#### **16. PROCEEDS FROM SALE OF SHARES**

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

#### **17. ADJUSTMENTS**

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

## **18. TRANSFERABILITY**

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

## **19. AMENDMENT AND TERMINATION OF PLAN**

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend the Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate the Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

## **20. NECESSARY APPROVALS**

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

## **21. WITHHOLDING TAXES**

The Corporation's obligation to deliver Shares issuable on the exercise of an option shall be subject to a Participant's satisfaction of all applicable income, employment and non-resident withholding tax obligations. Without limiting the generality of the foregoing, if the Corporation determines in its sole discretion that under the requirements of applicable taxation laws or regulations of any governmental authority whatsoever it is obliged to withhold for remittance to a taxing authority any amount upon exercise of an option, the Corporation may take any steps it considers necessary or appropriate in the circumstances to withhold in connection with any option or other benefit under the Plan including, without limiting the generality of the foregoing:

- (a) requiring the Participant exercising the option to pay the Corporation, in the same manner as the exercise price for the Shares issuable on exercise of an option, such amount as the Corporation is obliged to remit to such taxing authority in respect of the exercise of the option, with any such additional payment, in any event, being due no later than the date as of which any amount with respect to the option exercised first becomes included in the gross income of the Participant for tax purposes; or
- (b) issuing the Shares issuable on the exercise of an option to an agent on behalf of the Participant and directing the agent to sell a sufficient number of such Shares on behalf of the Participant to satisfy the amount of any such withholding obligation, with the agent paying the proceeds of any such sale to the Corporation for this purpose;

to the extent permitted by law, deducting the amount of any such withholding obligation from any payment of any kind otherwise due to the Participant.

## **22. EFFECTIVE DATE OF PLAN**

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

**23. INTERPRETATION**

The Plan will be governed by and construed in accordance with the laws of the Province of Ontario.

**SCHEDULE “B”**  
**FORM 52-110F2**  
**AUDIT COMMITTEE DISCLOSURE**  
**(VENTURE ISSUERS)**

**Item 1: The Audit Committee Charter**

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of the Company. The role of the Committee is to provide oversight of the Company's financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies. This includes helping directors meet their responsibilities, facilitating better communication between directors and the external auditor, enhancing the independence of the external auditor, increasing the credibility and objectivity of financial reports and strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor. Management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them. The Company's external auditor is ultimately accountable to the Board and the Committee as representatives of the Company's Shareholders.

**Duties and Responsibilities**

*External Auditor*

To recommend to the Board, for Shareholder approval, an external auditor to examine the Company's accounts, controls and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the Shareholders.

- (a) To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (b) To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.
- (c) To pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services.
- (d) To obtain and review, at least annually, a written report by the external auditor setting out the auditor's internal quality-control procedures, any material issues raised by the auditor's internal quality-control reviews and the steps taken to resolve those issues.
- (e) To review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Company on any aspect of its certification of the Company's financial statements:
  - (f) No member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports for a period of three years after the audit;
    - i. No member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports for a period of three years after the audit;

- ii. No former partner or employee of the external auditor may be made an officer of the Company or any of its subsidiaries for three years following the end of the individual's association with the external auditor;
  - iii. The Chief Financial Officer (“**CFO**”) must approve all office hires from the external auditor; and
  - iv. The CFO must report annually to the Committee on any hires within these guidelines during the preceding year.
- (g) To review, at least annually, the relationships between the Company and the external auditor in order to establish the independence of the external auditor.

#### *Financial Information and Reporting*

- (a) To review the Company's annual audited financial statements with the Chief Executive Officer (“**CEO**”) and CFO and then the full Board. The Committee will review the interim financial statements with the CEO and CFO.
- (b) To review and discuss with management and the external auditor, as appropriate:
  - i. The annual audited financial statements and the interim financial statements, including the accompanying management discussion and analysis; and
  - ii. Earnings guidance and other releases containing information taken from the Company's financial statements prior to their release.
- (c) To review the quality and not just the acceptability of the Company's financial reporting and accounting standards and principles and any proposed material changes to them or their application.
- (d) To review with the CFO any earnings guidance to be issued by the Company and any news release containing financial information taken from the Company's financial statements prior to the release of the financial statements to the public. In addition, the CFO must review with the Committee the substance of any presentations to analysts or rating agencies that contain a change in strategy or outlook.

#### *Oversight*

- (a) To review the internal audit staff functions, including:
  - i. The purpose, authority and organizational reporting lines;
  - ii. The annual audit plan, budget and staffing; and
  - iii. The appointment and compensation of the controller, if any.
- (b) To review, with the CFO and others, as appropriate, the Company's internal system of audit controls and the results of internal audits.
- (c) To review and monitor the Company's major financial risks and risk management policies and the steps taken by management to mitigate those risks.
- (d) To meet at least annually with management (including the CFO), the internal audit staff, and the external auditor in separate executive sessions and review issues and matters of concern respecting audits and financial reporting.
- (e) In connection with its review of the annual audited financial statements and interim financial statements, the Committee will also review the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Company's disclosure and internal controls, including any material deficiencies or changes in those controls.

## Membership

- (a) The Committee shall consist solely of three or more members of the Board, the majority of which the Board has determined has no material relationship with the Company and is otherwise “unrelated” or “independent” as required under applicable securities rules or applicable stock exchange rules.
- (b) Any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of Shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs.
- (c) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.
- (d) All members of the Committee must be “financially literate” (i.e., have the ability to read and understand a set of financial statements such as a balance sheet, an income statement and a cash flow statement).

## Procedures

- (a) The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the “**Chair**”). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.
- (b) The Chair will appoint a secretary (the “**Secretary**”) who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
- (c) No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum and provided that a majority of the members must be “independent” or “unrelated”.
- (d) The Committee will meet as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.
- (e) The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the articles of the Company or otherwise determined by resolution of the Board.
- (f) The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants, as it deems appropriate.
- (g) The Committee shall have access to any and all books and records of the Company necessary for the execution of the Committee's obligations and shall discuss with the CEO or the CFO such records and other matters considered appropriate.
- (h) The Committee has the authority to communicate directly with the internal and external auditors.

## Reports

The Committee shall produce the following reports and provide them to the Board:

- (a) An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements to this Charter deemed

necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report.

- (b) A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

## **Item 2: Composition of the Audit Committee**

National Instrument 52-110 Audit Committees, (“NI 52-110”) provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment.

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. The following sets out the members of the audit committee and their education and experience that is relevant to the performance of his responsibilities as an audit committee member.

The current members of the Audit Committee are Harold Wolkin, Norman Levine and Vassilios Mitoulas, all of whom are financially literate as defined by NI 52-110, with Messrs. Levine and Mitoulas acting as independent directors.

## **Item 3: Relevant Education and Experience**

The Instrument provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

All current and proposed members of the Audit Committee have received relevant education in financial literacy and have been involved in enterprises which publicly report financial results, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

Further, each member has the requisite education and experience that has provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare the Company's financial statements;
- (b) the ability to assess the general application of the above-noted principles in connection with estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

## **Item 4: Audit Committee Oversight**

At no time since incorporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## **Item 5: Reliance on Certain Exemptions**

Since incorporation, the Company has not relied on certain exemptions set out in NI 52-110, namely section 2.4 (*De Minimus Non-audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), and any exemption, in whole or in part, in Part 8 (*Exemptions*).

### **Item 6: Pre-Approval Policies and Procedures**

The Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of the NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

### **Item 7: External Auditor Service Fees (By Category)**

The following table sets out the aggregate fees charged to the Company by the external auditor since incorporation of the Company for the category of fees described.

	<b>Since incorporation on June 11, 2021 to December 31, 2021</b>
Audit Fees <sup>(1)</sup>	\$19,000
Audit-Related Fees <sup>(2)</sup>	\$Nil
Tax Fees <sup>(3)</sup>	\$4,000
All Other Fees <sup>(4)</sup>	\$Nil
<b>Total Fees:</b>	<b>\$23,000</b>

(1) "Audit fees" include aggregate fees billed by the Company's external auditor since incorporation of the Company.

(2) "Audited related fees" include the aggregate fees billed since incorporation of the Company for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax fees" include the aggregate fees billed since incorporation of the Company for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All other fees" include the aggregate fees billed since incorporation of the Company for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above

### **Item 8: Exemption**

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 as the Company is a "venture issuer". As a result, the Company is exempt from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

**SCHEDULE “C”**  
**FORM 58-101F2**  
**CORPORATE GOVERNANCE DISCLOSURE**  
**(VENTURE ISSUERS)**

**Item 1: Board Of Directors**

The Board supervises the CEO and the CFO. The CEO and CFO are required to act in accordance with the scope of authority provided to them by the Board.

The Company has determined that out of the existing three members of the Board, two of the members are independent as defined by NI 52-110.

<b>Director</b>	<b>Independence</b>
Harold Wolkin	Not independent, as he is the CEO and CFO of the Company.
Norman Levine	Independent
Vassilios Mitoulas	Independent

**Item 2: Directorships**

The following Directors of the Company are currently directors of the following other reporting issuers:

<b>Director</b>	<b>Name of Reporting Issuer</b>
Harold Wolkin	Baylin Technologies Inc. Cipher Pharmaceuticals Inc. EnviroGold Global Limited (formerly Range Energy Resources Inc.) Bynd Cannasoft Enterprises Inc. Ceres Global Ag Corp.
Norman Levine	N/A
Vassilios Mitoulas	Turnium Technology Group Inc.

**Item 3: Orientation and Continuing Education**

The Board does not have a formal process for the orientation of new Board members. Orientation is done on an informal basis. New Board members are provided with such information as is considered necessary to ensure that they are familiar with the Company’s business and understand the responsibilities of the Board.

The Board does not have a formal program for the continuing education of its directors. The Company expects its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board. Directors can consult with the Company’s professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

#### **Item 4: Ethical Business Conduct**

The Board has not adopted a formal code of ethics. In the Board's view, the fiduciary duties placed on individual directors by corporate legislation and the common law, and the restrictions placed by corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Although the Company has not adopted a formal code of ethics, the Company promotes an ethical business culture. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

#### **Item 5: Nomination of Directors**

The identification of potential candidates for nomination as directors of the Company is primarily done by the CEO, but all directors are encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

#### **Item 6: Compensation**

The quantity and quality of the Board compensation is reviewed on an annual basis. At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee. As a capital pool company, the Company is currently prohibited from paying directors, officers or other non-arm's length parties or to persons engaged in investor relations activities pursuant to policy 2.4 of the TSX Venture Exchange Corporate Finance Manual until it has completed a qualifying transaction and a final bulletin has been issued by the TSX Venture Exchange.

#### **Item 7: Other Board Committees**

The Board does not have any standing committees other than the Audit Committee.

#### **Item 8: Assessments**

The Board does not have any formal process for assessing the effectiveness of the Board, its committees, or individual directors. Such assessments are done on an informal basis by the CEO and the Board as a whole.

**DEAL PRO CAPITAL CORPORATION**  
**(A Capital Pool Company)**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM JUNE 11, 2021 (DATE OF INCORPORATION)**  
**TO**  
**DECEMBER 31, 2021**

**DEAL PRO CAPITAL CORPORATION  
(A CAPITAL POOL COMPANY)**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Deal Pro Capital Corporation

### *Opinion*

We have audited the financial statements of Deal Pro Capital Corporation (the "Corporation"), which comprise the statement of financial position as at December 31, 2021 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from June 11, 2021 (date of incorporation) to December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021, and its financial performance and its cash flows for the period from June 11, 2021 (date of incorporation) to December 31, 2021 in accordance with International Financial Reporting Standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Information*

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Grand Lui.

*RSM Canada LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
April 27, 2022  
Toronto, Ontario

**DEAL PRO CAPITAL CORPORATION**  
**(A CAPITAL POOL COMPANY)**  
**STATEMENT OF FINANCIAL POSITION**  
**(All Amounts are in Canadian Dollars)**

**As at December 31, 2021**

	<b>Notes</b>	<b>\$</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	5	<u>370,736</u>
<b>TOTAL ASSETS</b>		<u>370,736</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities		<u>16,993</u>
<b>SHAREHOLDERS' EQUITY</b>		
<b>CAPITAL STOCK</b>		
Issued and Outstanding – 8,207,001 Common shares	6	405,188
Warrants		13,222
Contributed Surplus		47,901
Accumulated Deficit		<u>(112,568)</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u>370,736</u>

**APPROVED ON BEHALF OF THE BOARD**

<u>(signed) "Harold Wolkin"</u>	<u>Harold Wolkin</u> Director
<u>(signed) "Norman Levine"</u>	Norman Levine Director

See the accompanying notes to the financial statements

**DEAL PRO CAPITAL CORPORATION**  
**(A CAPITAL POOL COMPANY)**  
**STATEMENT OF LOSS AND COMPREHENSIVE LOSS**  
**(All Amounts are in Canadian Dollars)**

**For the Period from June 11, 2021 (Date of Incorporation) to December 31, 2021**

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**EXPENSES**

Regulatory and listing costs	\$ 20,532
Professional fees	44,135
Share-based compensation	47,901

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**NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD** **112,568**

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**NET LOSS PER SHARE – Basic and diluted** **\$ 0.02**

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**WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING – Basic and diluted** **6,183,810**

See the accompanying notes to the financial statements

**DEAL PRO CAPITAL CORPORATION**  
**(A CAPITAL POOL COMPANY)**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(All Amounts are in Canadian Dollars)**

**For the Period from June 11, 2021 (Date of Incorporation) to December 31, 2021**

	Number of Common Shares	Amount of Common Shares	Warrants	Contributed Surplus	Accumulated Deficit	Shareholders' Equity
Balance, June 11, 2021	-	\$ -	\$ -	\$ -	\$ -	\$ -
Share-based compensation	-	-	-	47,901	-	47,901
Private placement for cash	5,700,001	285,000	-	-	-	285,000
Issuance of common shares for cash	2,507,000	120,188	13,222	-	-	133,410
Net loss for the period	-	-	-	-	(112,568)	(112,568)
Balance, December 31, 2021	8,207,001	\$ 405,188	\$ 13,222	\$ 47,901	\$ (112,568)	\$ 353,743

See the accompanying notes to the financial statements

**DEAL PRO CAPITAL CORPORATION**  
**(A CAPITAL POOL COMPANY)**  
**STATEMENT OF CASH FLOW**  
**(All Amounts are in Canadian Dollars)**

**For the Period from June 11, 2021 (Date of Incorporation) to December 31, 2021**

**OPERATING ACTIVITIES**

Net loss for the period	\$ (112,568)
Items not affecting cash:	
Share-based compensation	47,901
Change in non-cash working capital:	
Increase in accounts payable	16,993
	<u>(47,674)</u>

**FINANCING ACTIVITIES**

Issuance of common shares	<u>418,410</u>
Change in cash	370,736
Opening cash	<u>-</u>
Closing cash	<u>\$ 370,736</u>

See the accompanying notes to the financial statements

**DEAL PRO CAPITAL CORPORATION**  
**(A CAPITAL POOL COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**  
**(All Amounts are in Canadian Dollars)**

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## **1. Nature of Organization**

### *Description of the Business*

Deal Pro Capital Corporation (the "Company") was incorporated under the *Business Corporations Act* (Ontario) on June 11, 2021 ("Date of Incorporation"). The Company is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). On October 27, 2021, the Company announced it had completed its Initial Public Offering and that it was now defined as a Capital Pool Corporation trading under the symbol DPCC.P. The principal business of the Company will be to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein. The purpose of such an acquisition is to satisfy the related conditions of a "Qualifying Transaction" ("QT") under the Exchange rules.

The address of the Company's registered office is Suite 2100, 40 King Street, Toronto, Ontario, M5H 3C2.

The financial statements of the Company for the period from June 11, 2021 (date of incorporation) to December 31, 2021 were authorized for issuance in accordance with a resolution of the directors on April 27, 2022.

The Company has not commenced operations and has no assets other than cash. The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an acquisition, business, or an interest therein. Such an acquisition or business will be subject to the approval of the Exchange, and in the case of a non-arm's length transaction, of the majority of the Company's minority shareholders.

## **2. Basis of Presentation**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The financial statements are prepared on a going concern basis, under the historical cost convention.

## **3. Summary of Significant Accounting Policies**

### *Cash*

Cash consists of deposits with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

### *Income Taxes*

Income tax expense comprises current and deferred tax. Tax is recognized in the statement of comprehensive income except to the extent it relates to items recognized in other comprehensive income or directly in equity.

### *Current Income Tax*

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

### *Deferred Tax*

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

**DEAL PRO CAPITAL CORPORATION**  
**(A CAPITAL POOL COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2021**  
**(All Amounts are in Canadian Dollars)**

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Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

*Earnings (Loss) Per Share*

The Company presents basic earnings (loss) per share for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders on the weighted average number of common shares outstanding when the effect is anti-dilutive.

*Financial instruments*

The following table shows the classification of the Company's financial instruments under IFRS 9:

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<b>Financial assets</b>	
Cash	Amortized cost
<b>Financial liabilities</b>	
Trade payables and accrued liabilities	Amortized cost

---

The Company classifies its financial assets in one of the following categories: (1) at fair value through profit or loss ("FVTPL"), (2) at amortised cost or (3) at fair value through other comprehensive income ("FVTOCI"). The classification depends on the purpose for which the financial assets were acquired, the business model in which they are managed and their cash flow characteristics. Management determines the classification of its financial assets at initial recognition.

*Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of profit or loss in the period in which they arise.

*Amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current or non-current based on their maturity date.

*Financial assets at FVTOCI*

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment.

*Impairment of financial assets at amortized cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the statements of profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

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*Derecognition*

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

*Fair value hierarchy*

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The carrying value of cash, trade payables and accrued liabilities approximate their fair value because of the short-term nature of these instruments or their ability of prompt liquidation.

*Share-based Payments*

Stock options issued by the Company are accounted for in accordance with the fair value based method. The fair value of options issued to directors, officers, employees of and consultants to the Company is charged to operations on a straight-line basis over the vesting period of each tranche (graded vesting) with the offsetting amount recorded to contributed surplus. The historical forfeiture rate is also factored into the calculations. When options are exercised, the amount received, together with the amount previously recorded in contributed surplus are added to capital stock. The fair value of warrants issued to agents in conjunction with a public offering is charged to share issue costs with an offsetting amount recorded to contributed surplus. Fair value is measured using the Black-Scholes option pricing model.

*Recent Accounting Pronouncements*

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements, except as follows:

*IAS 1, Presentation of Financial Statements*

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively. The Company is currently evaluating the impact of these amendments on its financial statements and will apply the amendments from the effective date.

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#### **4. Summary of Accounting Estimates and Assumptions**

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Significant judgements made in preparation of these financial statements include:

The Company uses the Black-Scholes option pricing model to determine the fair value of options in order to calculate share-based compensation expense and the fair value of agent options. The Black-Scholes model involves six key inputs to determine fair value of an option: risk-free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based compensation expense.

#### **5. Cash**

The Company has \$370,736 held in trust with its lawyers. As a Capital Pool Company, the proceeds raised from the issuance of common shares including the funds held in trust, may only be used to identify and evaluate assets or businesses for future investments, with the exception that not more than \$3,000 per month may be used to cover administrative and general expenditures of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under Policy 2.4 of the Exchange.

#### **6. Capital Stock**

##### ***Common Shares***

The Company is authorized to issue an unlimited number of common shares and unlimited number of preferred shares (issuable in series) and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. On June 25, 2021, the directors and officers of the Company subscribed for 5,700,001 common shares at a price of \$0.05 per common share for gross proceeds of \$285,000.

All 5,700,001 issued and outstanding common shares of the Company, and all common shares acquired on exercise of stock options granted to directors and officers prior to the receipt of a Final Exchange Bulletin on completion of a Qualifying Transaction, will be held in escrow pursuant to the requirements of the Exchange. Shares will be released from escrow as follows:

- 25% on receipt of the Final Exchange Bulletin,
- 25% on the 6-month anniversary of the Final Exchange Bulletin,
- 25% on the 12-month anniversary of the Final Exchange Bulletin,
- 25% on the 18-month anniversary of the Final Exchange Bulletin,

On October 22, 2021, the Company completed its Initial Public Offering ("IPO") of 2,507,000 common shares at \$0.10 per share (\$250,700). The Company paid a commission of 10% of gross proceeds to the Agent, and granted the Agent warrants to acquire 10% of the common shares issued in the offering exercisable for a period ending twenty-four months from the date the Company's common shares are listed on the TSX Venture Exchange, exercisable at \$0.10 per share. The Company also paid a corporate finance fee upon the closing of the offering and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the IPO. The Company incurred share issuance costs related to the IPO of \$70,290 which was netted against share capital and \$47,000 of deferred costs related to the IPO.

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The grant date fair value of the Agent warrants was estimated at \$13,222 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.10; expected volatility of 100% based on the average volatility of comparable companies; risk-free interest rate of 1.45%; expected dividend yield of 0%; and an expected life of 2 years.

**Stock Options**

The Company has established a stock option plan for its directors, officers and consultants under which the Company may grant options from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant. They are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company and, in the case of death, expire one year thereafter.

Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option. Any shares issued upon exercise of the options prior to the Company entering into a QT will be subject to escrow restrictions. Unless otherwise stated, the options fully vest when granted.

On June 25, 2021, the Company granted 570,000 options to its officers and directors. The options were valued using the Black-Scholes model and the expense was charged to the statement of loss and comprehensive loss during the period ended December 31, 2021.

On October 22, 2021, the Company granted 250,700 options to its officers and directors. The options were issued with a strike price of \$0.10 per share and were valued using the Black-Scholes model. The expense was charged to the statement of loss and comprehensive loss during the period ended December 31, 2021.

At December 31, 2021, the following stock options were outstanding:

<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Expected Volatility <sup>(a)</sup></b>	<b>Risk-Free Interest Rate</b>	<b>Expected Dividend Yield</b>	<b>Expected Life</b>
570,000	\$0.05	June 25, 2031	100%	1.45%	0%	10 years
250,700	\$0.10	October 22, 2031	100%	1.45%	0%	10 years

(a) Expected volatility is based on the average volatility of comparable companies

The following table reflects the continuity of stock options:

	Stock Options	
	Number	Weighted Average Exercise Price
Outstanding, June 11, 2021	-	\$ -
Granted	820,700	0.07
Exercised	-	-
Outstanding, December 31, 2021	820,700	\$ 0.07
Number exercisable, December 31, 2021	-	

Until the Company completes a QT, the 820,700 stock options will not be exercisable.

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**7. Capital Risk Management**

The Company manages its capital stock as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue to operate and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new common shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing efforts, the Company does not pay out dividends.

The Company expects its current capital resources will be sufficient to carry its operations. The Company is not subject to any externally or internally imposed capital requirements as at December 31, 2021.

The Company's capital under management as at December 31, 2021 is \$405,188.

**8. Transactions with Related Parties**

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions. During the period ended December 31, 2021, 820,700 stock options were granted to directors and officers which were valued at \$47,901 (Note 6). There was no further compensation to key management personnel.

**9. Income Taxes**

- (a) The items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5%, for the period June 11, 2021 to December 31, 2021, are as follows:

	<b>2021</b>
	<b>\$</b>
Loss before income taxes	<u>112,568</u>
Expected income tax recovery	29,800
Adjustments to benefit resulting from:	
Share-based compensation	(12,700)
Change in unrecognized deductible temporary differences	<u>(17,100)</u>
Deferred income tax recovery	<u>-</u>

- (b) The Company does not have any tax benefits from non-capital loss carry-forwards to date.
- (c) Unrecognized deferred tax assets

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	<b>2021</b>
	<b>\$</b>
Non-capital loss carry-forwards	<u>17,100</u>
Total	<u>17,100</u>

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

DEAL PRO CAPITAL CORPORATION  
MANAGEMENT DISCUSSION & ANALYSIS  
for the period ended December 31, 2021

The following management's discussion and analysis ("MD&A") should be read in conjunction with the Company's financial statements and notes thereto for the period ended December 31, 2021 (the "financial statements"). This MD&A was prepared by management of Deal Pro Capital Corporation (the "Company"), and was approved by the Board of Directors on April 27, 2022. Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **BASIS OF PRESENTATION**

This MD&A and the financial statements have been prepared in Canadian dollars, unless otherwise indicated, and in accordance with International Financial Reporting Standards ("IFRS").

### **FORWARD-LOOKING INFORMATION**

Certain statements contained in this document constitute "forward-looking information". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking information. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.

### **OVERALL PERFORMANCE**

#### **BUSINESS OF THE COMPANY**

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on June 11, 2021. On June 11, 2021, the Company issued 1 common share at a price of \$0.05 and on June 25, 2021, the directors and officers of the Company subscribed for 5,700,000 common shares at a price of \$0.05 per common share for gross proceeds of \$285,000.

On October 22, 2021, the Company issued a further 2,507,000 common shares at a price of \$0.10 (the "Offering"), through its initial public offering, bringing the total number of issued and outstanding common shares of the Company from 5,700,001 to 8,207,001 common shares (see below). In addition, 250,700 agent's warrants were issued, which entitle the holder to acquire one common share in the Company at a price of \$0.10 for a period of two years from the date the Company's shares were listed on the TSX Venture Exchange (the "Exchange").

The Company issued 570,000 stock options on June 25, 2021. On October 22, 2021, the Company issued a further 250,700 stock options to directors of the Company. Each option is exercisable into one common share of the Company at a price of \$0.10 any time prior to October 22, 2031, subject to the terms of the Stock Option Plan.

The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them. The purpose of such an acquisition is to satisfy the related conditions of a "Qualifying Transaction" under the Exchange rules.

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**SELECTED ANNUAL FINANCIAL HIGHLIGHTS**

The financial results of the Company for the financial period ended December 31, 2021 are summarized as follows:

For the period from June 11, 2021 to December 31, 2021 (in Canadian \$ thousands except for per share amounts)	
Total Revenue	\$ -
Operating Expenses	112,568
Net Income (Loss)	(112,568)
Earnings (Loss) per Share-Basic	\$ (0.02)
Earnings (Loss) per Share-Diluted	\$ (0.02)
Weighted average shares outstanding	6,183,810
Total Assets	\$370,736
Total Short Term Liabilities	\$ 16,993
Shares outstanding – all shares	8,207,001
Shares outstanding – non-escrowed shares	2,507,000

5,700,001 common shares are held in escrow and will not be eligible for release prior to the receipt of a Final Exchange Bulletin on completion of a Qualifying Transaction.

**SELECTED QUARTERLY FINANCIAL HIGHLIGHTS**

The quarterly financial results of the Company for the quarterly periods from June 11, 2021 to December 31, 2021 are summarized as follows:

Three Months Period Ended	Cash	Current Liabilities	Net Loss	Loss Per Share	Weighted Average Shares Outstanding*
December 31, 2021	\$ 370,736	\$ 16,993	\$ (75,642)	\$( 0.01)	7,628,463
September 30, 2021	277,231	59,423	(11,442)	(0.02)	5,700,001
June 30, 2021	285,000	21,951	(25,484)	(0.02)	1,500,001

\*includes 5,700,001 escrowed shares

**DISCUSSION OF OPERATIONS**

**Three months ended December 31, 2021**

During the three-month period ended December 31, 2021, the Company had a net loss of \$75,642 related mostly to public company reporting costs and professional fees related to public disclosures, and due to a \$22,417 non-cash cost related to the issue of stock options in the December 31, 2021 quarter. Most of the fees related either to listing activities or capital raising activities.

**Period to date ended December 31, 2021**

During the period from June 11, 2021 to December 31, 2021, the Company had a net loss of \$112,568. Most of the cash costs related to public company reporting costs and professional fees related to public disclosures and the IPO. The \$47,901 share-based compensation expense in

DEAL PRO CAPITAL CORPORATION  
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the period related to the issuance of 570,000 stock options at a price of \$0.05 per option and 250,700 stock options at a price of \$0.10 per option.

On October 27, 2021, the Company announced it had completed its Initial Public Offering and that it was now defined as a Capital Pool Corporation trading under the symbol DPCC.P. The principal business of the Company will be to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein. The purpose of such an acquisition is to satisfy the related conditions of a "Qualifying Transaction" under the Exchange rules.

The address of the Company's registered office is Suite 2100, 40 King Street, Toronto, Ontario, M5H 3C2.

As a Capital Pool Corporation, the Company will incur expenses as it identifies and evaluates potential companies, assets or business for a Qualifying Transaction.

#### **DISCLOSURE OF OUTSTANDING SHARE DATA**

At the date of this MDA and at December 31, 2021, the Company had the following securities outstanding:

	April 27, 2022	December 31, 2021
Common shares issued and outstanding	8,207,001	8,207,001
Stock options issued and outstanding	820,700	820,700
Warrants issued and outstanding	250,700	250,700
Fully diluted common shares issued and outstanding	9,278,401	9,278,401

#### **LIQUIDITY AND CAPITAL RESOURCES**

As at December 31, 2021, the Company had cash of \$370,736 and net working capital of \$353,743. The Company had amounts payable of \$16,993 at December 31, 2021.

The Company issued 5,700,001 shares for proceeds of \$285,000 in June 2021. In October 21, the Company issued 2,507,000 common shares for gross proceeds to \$250,700. Cash costs of this raise were \$133,410 which were charged against share capital.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

As at December 31, 2021, and up to the date of this MD&A, the Company had no off-balance sheet arrangements.

#### **TRANSACTIONS BETWEEN RELATED PARTIES**

During the period ended December 31, 2021, there were no related party transactions, except the subscriptions for common shares of the Company by directors and officers, and the issue of stock options on June 25, 2021 and October 22, 2021.

#### **PROPOSED TRANSACTIONS**

As at December 31, 2021, and up to the date of this MD&A, there were no proposed transactions of the Company, other than as disclosed herein.

DEAL PRO CAPITAL CORPORATION  
MANAGEMENT DISCUSSION & ANALYSIS  
for the period ended December 31, 2021

**CRITICAL ACCOUNTING ESTIMATES & CHANGES IN ACCOUNTING POLICIES  
INCLUDING INITIAL ADOPTION**

As at December 31, 2021, the Company was in the application process to operate as a “Capital Pool Company” with cash and limited other assets, until the completion of a Qualifying Transaction. Critical accounting estimates are explained in Note 3 of the financial statements.

Notes to the financial statements of the Company for the period ended December 31, 2021 are available on SEDAR at [www.sedar.com](http://www.sedar.com).

**FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The Company’s financial instruments consist of cash and cash equivalents, deferred financing costs, accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments.

**RISKS AND UNCERTAINTIES**

On October 27, 2021, the Company announced it had completed its Initial Public Offering and that it was now a Capital Pool Corporation as that term is defined in Policy 2.4 of the Exchange. The Company trades under the symbol DPCC.P. The Company is actively working to identify assets or businesses in order to complete a Qualifying Transaction. During this time, the Company will have no source of recurring income.

A comprehensive discussion of risk factors can be found in the “Risk Factors” section of the Initial Public Offering Prospectus, dated August 27, 2021. The document can be accessed on [www.sedar.com](http://www.sedar.com).

Although management of the Company will be working to identify a Qualifying Transaction once the Company is listed, there is no assurance that a Qualifying Transaction will be entered into or be completed within the specified time, or at all. Nor can there be an assurance that the Company will be able to obtain additional financing in the future on terms acceptable to the Company or at all.

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Completion of the Qualifying Transaction is subject to a number of conditions, including acceptance by the Exchange and in the case of a Non Arm’s Length Qualifying Transaction, majority of minority approval.

On behalf of the Board of Directors,

Harold Wolkin  
Chief Executive Officer and Chief Financial Officer  
Toronto, Ontario  
April 27, 2022