

DEAL PRO CAPITAL CORPORATION

NEWS RELEASE

DEAL PRO CAPITAL ANNOUNCES PROPOSED QUALIFYING TRANSACTION

November 1, 2023

Toronto, Ontario - Deal Pro Capital Corporation (the “**Company**”) (TSXV: DPCC.P) is pleased to announce that it has entered into a binding letter of intent (the “**LOI**”) on October 30, 2023, with Urban Utilities Contractors Inc. (“**Urban**”), an arm’s length party, pursuant to which the Company intends to acquire (the “**Acquisition**”) all of the issued and outstanding securities of Urban by way of share exchange or other acceptable means, subject to regulatory approval including that of the TSX Venture Exchange (the “**Exchange**”). The Acquisition is expected to constitute the Company’s qualifying transaction under the policies of the Exchange. Upon completion of the Acquisition, subject to all requisite approvals, it is anticipated that the Resulting Issuer (as defined herein) will be a Tier 1 - Industrial issuer.

About Urban

Since its incorporation in 2015, Urban, a private company incorporated pursuant to the laws of the Province of Ontario, has been a construction company focused on the concrete and drain sector for new low-rise construction in the Southern Ontario region. The concrete and drain industry plays a crucial role in low-rise construction, which typically encompasses residential buildings.

Urban works with some of the largest home builders in Ontario and provides the following services:

- exterior sewers
- interior underground drainage systems
- concrete basement floors
- concrete garage floors
- concrete porches and stairs

According to a report by the Fraser Institute titled “*Ontario government can accelerate housing supply – without eroding public trust*” (which appeared in the Toronto Star, August 14, 2023), Ontario is facing a generational shortage of housing due to the province’s decades of underbuilding and population growth. The Ontario government’s Housing Affordability Task Force estimates that 1.5 million new homes must be constructed over the next ten years to close the housing gap. In response to this housing gap, the Ontario government has introduced new incentives to spur new home construction, including the passing of a law that freezes, reduces and exempts fees developers pay on certain builds such as affordable housing (source: Canadian Press article dated March 24, 2023). A TD Report titled “*Balancing Canada’s Pop in Population*” (as published on TD’s website on July 26, 2023), the continued growth in immigration could widen the housing shortfall by about 500,000 units within 2 years.,

Urban intends to strengthen its position within the concrete and drain sector by scaling its operations, organically and by way of strategic acquisitions. In addition to growing its core business, Urban intends to actively identify and target other companies in complementary residential, commercial and municipal infrastructure sectors. This will permit Urban to diversify its business and to offer additional services to its existing clientele.

Selected Financial Information

The following table sets out historical financial information of Urban, in each case, for the periods ended and as of the dates indicated. The selected financial information of Urban has been derived from the unaudited financial statements of Urban for the year-ended September 30, 2022 and 2021:

Balance Sheet:

	<u>As at September 30, 2022 (\$)</u>	<u>As at September 30, 2021 (\$)</u>
Current Assets	2,304,175	1,376,300
Total Assets	2,479,581	1,600,019
Current Liabilities	1,232,492	1,137,870
Total Shareholders Equity	870,157	(80,462)

Income Statement

	<u>As at September 30, 2022 (\$)</u>	<u>As at September 30, 2021 (\$)</u>
Revenue	7,549,999	4,549,565
Cost of Sales	5,549,340	3,740,768
Total Expenses	1,049,846	677,799
EBITDA	950,814	130,997

As Urban is a private company, it has not prepared any historical interim statements.

The Acquisition

It is anticipated that the parties will complete the Acquisition by way of a share exchange agreement, pursuant to which the Company will acquire all of the issued and outstanding securities in the capital of Urban resulting in Urban becoming a wholly-owned subsidiary of the Company (the “**Resulting Issuer**”) on closing. The final structure and form of the Acquisition remains subject to satisfactory tax, corporate and securities law advice for both Urban and the Company and will be set forth in a definitive agreement (the “**Definitive Agreement**”) to be entered into among the parties, which will replace the LOI. Upon completion of the Acquisition, the Resulting Issuer will continue to carry on the business of Urban as currently constituted. It is not anticipated that the Company will affect a consolidation of its issued and outstanding securities as a condition of completing the Acquisition.

Pursuant to the terms of the LOI, the Company intends to acquire all of the issued and outstanding shares of Urban for an aggregate purchase price of approximately \$15 million (the “**Purchase Price**”). The Purchase Price will be satisfied through the issuance of an aggregate of 100 million common shares (the “**Consideration Shares**”) in the capital of the Company at a price of \$0.15 per Consideration Share.

Closing of the Acquisition is subject to a number of conditions including but not limited to satisfactory due diligence investigations, the negotiation and execution of the Definitive Agreement, receipt of all required shareholder, if required, regulatory and third-party approvals and consents, including that of the Exchange and satisfaction of other customary closing conditions. The Acquisition cannot close until the required approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

Subject to the approval of the Exchange, upon closing of the Acquisition, the Resulting Issuer shall pay a finder’s fee by way of issuing 4,800,000 common shares to Guildhall Investment Corporation Limited, an arms length party to both Urban and the Company.

Resulting Issuer

In connection with the Acquisition, it is anticipated that the Company will, among other things: (i) change its name to “Urban Infrastructure Group Inc.” or any other such name that is acceptable to Urban; (ii) reconstitute the existing directors and officers of the Company with nominees mutually agreed upon by the parties; (iii) enter into employment, consulting or other agreements with key members of the Urban team and management; (iv) enter into such escrow or pooling agreements as required by the Exchange or as agreed by the parties.

Upon completion of the Acquisition it is proposed that the board of directors and management of the Resulting Issuer will consist of the following individuals:

Gary Alves, Director & Chief Operating Officer – Mr. Alves is currently, and has been since 2014, the founder, majority shareholder and President of Urban, a private Ontario company. Urban is a construction company with its focus on the concrete and drain segment of new low-rise construction. Prior to founding Urban, Mr. Alves was a consultant, operating under the business name GDA Construction Safety Consultant, providing safety related services, such as audits, safety plans, to various construction companies. Mr. Alves also served as an Occupational Health and Safety Instructor for LiUNA Local 183, a health and safety manager for a construction company and held various positions in the construction industry.

Mr. Alves brings over 26 years of experience and knowledge of the concrete and drain industry as well as the health and safety aspects and policies applicable to such industry. Through his many years in the construction industry, Mr. Alves developed strong ties and relationships with various other companies (both in the low rise and general construction segments) as well as with major home builders in the GTA.

Ungad Chadda, Director & Chief Executive Officer - Mr. Chadda is an experienced capital markets regulator and financial services executive having previously worked at TMX Group, the parent company of Toronto Stock Exchange. Mr. Chadda was responsible for building and maintaining the TMX Group investor base as well as supporting its public interest mandate and strategies to grow as a company. Mr. Chadda joined TMX Group through one of its predecessor entities in 1997. During his tenure, Mr. Chadda held progressively senior roles, including Director of Listings, TSX Venture Exchange; Chief Operating Officer, TSX Venture Exchange; Vice President, Business Development, Toronto Stock Exchange and TSX Venture Exchange; President, Toronto Stock Exchange; CFO of TSX Trust (formerly Equity Transfer and Trust) an OSFI regulated entity; and SVP, Head of Enterprise Corporate Strategy and External Affairs, TMX Group. Ungad currently advises clients on capital markets, regulatory and governance strategies.

Mr. Chadda attended McMaster University, where he received an Honours Bachelor of Commerce in 1994 and he received his Chartered Accountancy designation while working with Ernst and Young LLP in 1996. Mr. Chadda has served on multiple boards, and has completed University of Toronto's Rotman Business School Director Education Program

Harold Wolkin, Director - 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, audit committee chair and Vice Chair of the Board 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 (formerly Range Energy Resources Inc.) (CSE: RGO.X), and (iv) a director of BYND Cannasoft Enterprises Inc. (CSE:BYND). 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

Magaly Bianchini, Director – Ms. Bianchini is an experienced public company director, with extensive experience in real estate development, construction and renewable energy projects. She has been involved in the real estate development and construction industry since 1980, when, she became involved in her family's concrete forming and crane rental company, The Leader Group, which was involved in several hundred million dollars' worth of construction. The Leader Group did the structural formwork for many of the prominent Toronto landmarks including many of the downtown bank and office towers, hotels, hospitals and condominiums. Ms. Bianchini also served as President of Leader Capital Corp. ("Leader"), a

publicly traded company, from 1998 until its privatization in 2009. Leader was focused on the development of land in Ontario and Quebec, and later in the development of a 200-megawatt wind farm near Kincardine, Ontario, which was sold to Enbridge Inc. in 2005, as well as other wind farms.

She has been involved in the development and construction of several condominium projects in Toronto, as well as the development of approximately 250 residential lots in Ontario and British Columbia. Ms. Bianchini has been on the advisory board of a retirement home company for over 30 years.

Nicholas Thadaney, Director - Mr. Thadaney is a finance, technology and capital markets senior executive with over 25 years experience. He founded Partners Capital Corp. and previously served as Head of the Toronto Stock Exchange in the role of President & CEO, Global Equity Capital Markets, TMX Group and prior to that as CEO of ITG Canada Corp (now Virtu Financial). Before his tenure at ITG, Mr. Thadaney was Vice-President, Business Development (Equities) at C.T. Securities Inc.(Canada Trust), which was later acquired by T.D. Securities Inc. (TD Bank) in 1999.

Mr. Thadaney also currently serves as a senior advisor to a number of firms and a director on several boards. Mr. Thadaney has also been a board and committee member of a number of prominent businesses, industry associations, and registered charities, including: Bermuda Stock Exchange; CanDeal; Investment Industry Regulatory Organization of Canada (IIROC); Investment Industry Association of Canada; JA (Junior Achievement) Canada; Mount Sinai Hospital Asset Management Industry Hold'em for Life Charity (Co-Chair); Toronto Financial Services Alliance (now Toronto Finance International); Young Presidents Organization (Ontario Chapter); and the World Federation of Exchanges SME Advisory Board.

Mark Di Cristofaro, Director – Mr. Di Cristofaro is a corporate finance executive who assist companies in various situations such as mergers and acquisitions, financings and going public. As a former investment banker with non bank owned firms, he was instrumental in numerous financings as well as merger and acquisition work and divesture mandates. Having been part of financings for companies, he understands the various unique situations companies can find themselves in. Not focused on any one industry, Mr. Di Cristofaro has been part of mandates with consumer goods companies, infrastructure, mining and real estate.

Jennifer Rebecca Labrecque, Director – Mrs. Labrecque is a corporate, commercial and real estate lawyer. She attended the University of Ottawa and obtained her LL.L , LL.B in 2003 and was called to the Ontario Bar in 2004. Prior to founding Jennifer Labrecque Professional Corporation, she was a partner with Keyser Mason Ball, LLP from 2018 to 2021. Prior to that Mrs. Labrecque held several positions, the last being Vice President and General Counsel, with CanACRE Ltd., a private company focused on providing specialized consulting services that support the successful development of large-scale infrastructure projects across Canada and the United States. Mrs. Labrecque was also an associate with WeirFoulds LLP and Legal Counsel for International Clothiers Inc. / Fair Weather Inc.

Aside from her legal work, Mrs. Labrecque is also member of the board of directors for the Paralympic Foundation of Canada and a volunteer with the Mississauga Food Bank.

John Ross, Chief Financial Officer – Mr. Ross is a senior financial management professional with more than 30 years of private and public company experience. He is currently the part-time Chief Financial Officer of Green Shift Commodities Ltd., a TSXV listed issuer and Mydecine Innovations Group Inc., a CSE listed issuer. Mr. Ross also served as interim Chief Executive Officer and Chief Financial Officer of Hempco Food and Fiber Inc., a TSXV listed issuer, which was acquired by Aurora Cannabis Inc. in August 2019. He was also the part-time Chief Financial Officer of AMPD Ventures Inc., a CSE listed issuer.

Mr. Ross was also Chief Financial Officer of FNX Mining Company, a TSX listed issuer, during the period when the market capitalization grew from \$140 million to \$575 million and of IAMGOLD, a TSX listed issuer, when the market capitalization grew from \$275 million to \$800 million.

Financing

In connection with the Acquisition, the parties intend to complete a financing (the “**Financing**”) of securities of Urban for gross proceeds of up to \$5 million, to be priced in the context of the market at a mutually agreeable price per security. The Financing shall be structured as either a common share offering, a subscription receipt offering, or such other security offering as determined by Urban and the Company based on discussions with investors. Other than in connection with the Financing, neither party will issue any shares or rights exchangeable or exercisable into shares of such party prior to closing of the Acquisition.

The proceeds of the Financing will be used for the working capital requirements of the Resulting Issuer.

Further particulars regarding the Financing will be disclosed in subsequent news releases relating to the Acquisition. The parties acknowledge that an agent may be engaged (the “**Agent**”) to act as agent on a “commercially reasonable efforts” basis for the Financing and in connection therewith may be paid a commission in an amount to be determined. The Financing is not a condition to the completion of the Acquisition.

Loan

Subject to Exchange approval, the Company has agreed to advance a loan to Urban in an aggregate principal amount equal to \$75,000 (the “**Loan**”). The Loan shall have an annual interest rate of 0% and shall be evidenced by way of a secured promissory note (the “**Promissory Note**”). The Loan shall mature and all principal and other amounts owing or outstanding under the Loan will be due and payable on the earlier of: (i) the closing of the Acquisition; (ii) December 31, 2024; (iii) the termination of the Acquisition; and (iv) the occurrence of a default or event of default (or equivalent concept) as set out in the Loan documents.

\$50,000 of the principal amount of the Loan (plus all fees, expenses and other amounts payable pursuant to the Loan and the Promissory Note) shall be secured by way of general security agreement and registration pursuant to the *Personal Property Security Act* against Urban with respect to the universality of all of its movable (personal) property, present and future, corporeal and incorporeal, of whatever nature or wherever situated.

Funds from the loan transaction are intended to allow Urban to pay for all its audit, legal and any other expenses associated with the completion of the Acquisition.

Trading Halt

Trading of the Company’s shares has been halted and will remain halted pending the Exchange’s receipt of satisfactory documentation and completion of the Acquisition.

Filing Statement

In connection with the Acquisition and pursuant to the requirements of the Exchange, the Company will file a filing statement or a management information circular on its issuer profile on SEDAR+ (www.sedarplus.ca), which will contain details regarding the Acquisition, Urban, the Financing, and the Resulting Issuer.

Sponsorship of the Acquisition

Sponsorship of a “Qualifying Transaction” of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies. The Company anticipates requesting a waiver from Sponsorship requirements. However, there is no assurance that a waiver from this requirement can or will be obtained.

Cautionary Statements

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

Completion of the Acquisition is subject to a number of conditions including, but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the Acquisition cannot close until the required shareholder and Exchange approval is obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Acquisition, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of Deal Pro Capital Corporation should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this press release with respect to the Company and Urban was supplied by the parties respectively, for inclusion herein, without independent review by the other party, and each party and its directors and officers have relied on the other party for any information concerning the other party.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

For more information please contact the Company at (416) 543-8289 or harold.wolkin@sympatico.ca.

On Behalf of the Board of Directors of Deal Pro Capital Corporation

Harold Wolkin
CEO, CFO and Director

Forward-Looking Information

This press release includes "forward-looking information" that is subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company. Statements in this news release which are not purely historical are forward looking, including without limitation any statements concerning the expected results of the Acquisition, the completion of the transactions contemplated by the LOI, the anticipated timing thereof, completion of the Financing and the expected use of proceeds therefrom. Although the Company believes that any forward-looking statements in this news release are reasonable, there can be no assurance that any such forward-looking statements will prove to be accurate. The Company cautions readers that all forward-looking statements, are based on assumptions none of which can be assured and are subject to certain risks and uncertainties that could cause actual events or results to differ materially from those indicated in the forward-looking statements. Such forward-looking statements represent management's best judgment based on information currently available. Readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance on forward-looking statements.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.