

DLC HOLDINGS CORP.
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DLC ANNOUNCES PROPOSED ACQUISITION OF SHARES IN CENIAKO AND CRAVEN

September 5, 2017 – Vancouver, B.C. – DLC Holdings Corp. (**TSXV: DLC**), ("**DLC**" or the "**Company**") is pleased to announce that it has entered into four definitive share purchase agreements each dated August 22, 2017, (each, a "**Share Purchase Agreement**") to acquire 60.5% (collectively, the "**Ceniako Shares**") of the issued and outstanding share capital of Ceniako Ltd. ("**Ceniako**") a private corporation duly incorporated under the laws of Cyprus; and to acquire 100% (collectively, the "**Craven Shares**") of the issued and outstanding share capital of Craven House Industries Ltd. ("**Craven**") a private corporation duly incorporated under the laws of Ireland.

Each Share Purchase Agreement is to be completed concurrently, and will together form a transaction (the "**Transaction**") that will constitute a Reverse Takeover under the policies of the TSX Venture Exchange (the "**Exchange**").

Transaction

Pursuant to the terms of each applicable Share Purchase Agreement, the Company has agreed to issue:

- i. 23,408,916 common shares to Craven Industrial Holdings PLC ("**Craven Holdings**"), a private corporation duly incorporated under the laws of Ireland, in consideration for 490 common shares of Ceniako, representing 49% of its issued and outstanding share capital;
- ii. 5,493,929 common shares to Southern Cone Capital Ltd. ("**Southern Cone**"), a private corporation duly incorporated under the laws of Hong Kong, in consideration for 115 common shares of Ceniako, representing 11.5% of its issued and outstanding share capital;
- iii. 34,052,990 common shares to Craven Holdings in consideration for 950 common shares of Craven, representing 95% of its issued and outstanding share capital; and
- iv. 1,792,262 common shares to Desmond Holdings Ltd. ("**Desmond Holdings**"), a private corporation duly incorporated under the laws of Hong Kong, in consideration for 50 common shares of Craven, representing 5% of its issued and outstanding share capital.

Immediately upon issuance, any shares of the Company issued pursuant to the Transaction will be placed into escrow pursuant to the policies of the Exchange.

The Company has also agreed to issue up to an additional 4,770,750 common shares (the "**Additional Shares**") to Craven Holdings on a date that is 24 months from the completion the Transaction (the "**2nd Anniversary of Closing**"), in the event the Company's subsidiary, Superior Macadamias (Pty) Ltd. ("**Subco**") is either:

- i. not generating a minimum of US\$400,000 in EBITDA (the "**Minimum EBITDA**") on an annual basis on or before the 2nd Anniversary of Closing; or

- ii. Subco's macadamia nut factory located in Mpumalanga, South Africa (the "**White River Factory**") has been sold and the proceeds of such sale received by Subco is less than US\$2,500,000 (the "**Disposition of the White River Factory**") on or before the 2nd Anniversary of Closing.

In the event the Minimum EBITDA is not met, Craven Holdings will be entitled to undertake an independent valuation of the White River Factory, and the Additional Shares that will be issued to the Craven Holdings will be made on the basis of a ratio of 6.361 common shares of the Company for every US Dollar for which the valuation is below \$2,500,000 US Dollars; for a maximum issuance of 4,770,750 common shares of the Company.

In the event the Disposition of the White River Factory occurs, the Additional Shares that will be issued to the Craven Holdings will be made on the basis of a ratio of 6.361 common shares of the Company for every US Dollar for which the sale of the White River Factory is below \$2,500,000 US Dollars; for a maximum issuance of 4,770,750 common shares of the Company.

The Transaction is a Related Party Transaction, as defined by the policies of the Exchange and Multilateral Instrument 61-101.

Sponsorship, as defined by the policies of the Exchange, is also required under Exchange policies. The Company will be requesting a waiver of Sponsorship. There is no guarantee that Sponsorship will be waived.

Non-Arms Length Transaction

The Transaction is a Non-Arm's Length transaction and requires shareholder approval under applicable securities and corporate legislation.

Mark Pajak, a director, President and CEO of the Company, is the sole shareholder and director of Southern Cone and Desmond Holdings, and is a director of Craven Holdings. Together with Southern Cone, Mr. Pajak owns, directly or indirectly, an aggregate 8,950,000 common shares of Company, representing approximately 58.3% of the Company's current issued and outstanding share capital.

Upon completion of the Transaction, Mr. Pajak will own, directly or indirectly, an aggregate 16,236,192 common shares of the Company, representing approximately 20.3% of the then issued and outstanding share capital of the Company.

Craven Holdings is wholly owned by Craven House Capital PLC, a company incorporated under laws of England and Wales. Balbir Bindra, a director of the Company, is also a director of Craven House.

Upon completion of the Transaction, Craven Holdings will hold 57,461,906 common shares representing approximately 71.73% of the then issued and outstanding share capital in the Company, thereby making it a new Control Person and Insider, as defined by the policies of the Exchange.

Target Companies – Ceniako and Craven

Ceniako was incorporated in 2012 as a special purpose investment holding company. It has no operational activity. Craven was incorporated in 2013 as a special purpose investment holding company. It has no operational activity. Collectively, via local subsidiaries, Craven and Ceniako own c.2,500 hectares of raw agricultural and development land and c.10km of direct beach and water-front real estate facing the South Atlantic Ocean in the Bahia Province of Brazil. DLC intends to utilise the land acquired as a result of the Transaction to further its investment in the agricultural land and food processing industry.

In 2012, Ceniako became the 99.99% shareholder of a Brazilian subsidiary, which owns 100% of a 1,973-hectare land holding in Caravelas. This land parcel was independently valued in December 2016 at USD\$9.1 million by a professional valuer. According to the unaudited accounts of Ceniako for the year to 31 December 2016, Ceniako had total assets of €7,151,600 and liabilities of €16,773 and had no material revenues, profits or losses.

In 2016, Craven became the 99.99% shareholder of a Brazilian subsidiary, which owns 100% of a 500-hectare landholding in Canavieiras. This land parcel was independently valued in April 2017 at USD\$5.0 million by a professional valuer. According to the unaudited accounts of Craven for the year to 31 December 2016, Craven had total (unaudited) assets of €5,368,569 and liabilities of €15,122 and had no material revenues, profits or losses.

Board Changes

There is currently no change contemplated to the Board of Directors of the Company upon the completion the Transaction.

The completion of the Transaction is subject to a number of conditions, including but not limited to receipt of all required shareholder, regulatory and third party consents, including Exchange acceptance, and satisfaction of other customary closing conditions.

Trading in the common shares of DLC will be halted pending further filings with the Exchange. Investors are cautioned that, except as disclosed in the disclosure document to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

Financing

The Company anticipates raising up to \$500,000 in connection with the closing of the Transaction, in order to satisfy the requirements of the Exchange. Terms of the financing have not yet been determined. It is not anticipated that the Company will need to advance any funds to the Target Companies prior to closing.

For further information, contact Mark Pajak at:

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

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction 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 Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative. The Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.