

## YUBBA AND IMPACT HOUSING CORPORATION ENTER INTO LETTER OF INTENT TO COMPLETE QUALIFYING TRANSACTION

**TORONTO, ON – December 1, 2022** – Yubba Capital Corp. (TSXV: YUB.P) (“**Yubba**”) and Impact Housing Corporation (“**IHC**”) are pleased to announce that they have entered into a letter of intent dated December 1, 2022 (the “**LOI**”), pursuant to which Yubba and IHC will complete a transaction that will result in a reverse take-over of Yubba by IHC (the “**Proposed Transaction**”). The Proposed Transaction, if completed, will constitute Yubba’s “Qualifying Transaction” (as such term is defined in Policy 2.4 of the TSX Venture Exchange (the “**TSXV**”)).

### **ABOUT IHC**

IHC is a Panamanian based real estate developer, incorporated under the laws of the Republic of Panama on February 15, 2017, that provides affordable housing supported by a longstanding subsidized government program with multiple product offerings. The principal business of IHC is to build and develop affordable and high quality subsidized houses and in the Republic of Panama to support the middle class market. The vision of IHC is effectuated by a vertically integrated model which coordinates all services necessary to develop high-quality residential and commercial buildings; including but not limited to land acquisition, financing, architectural, engineering, off-site manufacturing, general contracting, property management, and administration. IHC is incorporated under the laws of the Republic of Panama.

### **CONCURRENT OFFERING**

In conjunction with, and prior to the closing of the Proposed Transaction, IHC intends to complete a private placement offering of a minimum USD\$6,000,000 of subscription receipts (the “**Concurrent Offering**”). Immediately prior to the completion of the Proposed Transaction, it is anticipated that each subscription receipt will be converted into (1) common share in the capital of IHC. The offering price (the “**Offering Price**”) for the Concurrent Financing shall be based on several factors, including general market conditions at the time of the Concurrent Financing.

A comprehensive news release with further particulars and full terms will be provided prior to the closing of the Concurrent Offering, in accordance with the policies of the TSXV.

### **SUMMARY OF THE PROPOSED TRANSACTION**

The Proposed Transaction is expected to be structured as a plan of arrangement, three-cornered amalgamation, merger, a share exchange or other mechanism deemed to be most effective, as determined by the mutual agreement of IHC and Yubba upon receipt of tax, corporate and securities law advice. Pursuant to the Proposed Transaction, holders of common shares in the capital of IHC (the “**IHC Shares**”), including those investors in the Concurrent Offering, will receive one (1) common share in the capital of Yubba (each, a “**Yubba Share**”) for each IHC Share held.

In order to align the value of the Yubba Shares with the value per IHC Share at which the Proposed Transaction will be completed, it is anticipated that Yubba will complete either a share split or share consolidation (the “**Share Capital Amendment**”) on the basis of a ratio that results in the aggregate number of post-Share Capital Amendment Yubba Shares multiplied by the Offering Price being equal to C\$1,100,000, subject to customary adjustments, details of which will be disclosed in a subsequent press release.

IHC does not have any convertible securities currently outstanding. Yubba has 300,000 options held by directors and officers of Yubba (the “**Options**”) and 177,600 broker warrants (the “**Warrants**”) outstanding to purchase Yubba Shares. Each Option and Warrant has an exercise price of C\$0.10 and expires on August 26, 2026. As part of the Proposed Transaction, such convertible securities will be exchanged for convertible securities of the resulting issuer (the “**Resulting Issuer**”) on equivalent terms and conditions.

A comprehensive news release with further particulars relating to the Proposed Transaction, financial particulars, transaction structure, descriptions of the proposed management and directors of the Resulting Issuer, terms of any sponsorship, if applicable, among other particulars, will follow in accordance with the policies of the TSXV.

Completion of the Proposed Transaction is subject to a number of conditions including, but not limited to: (a) completion of satisfactory due diligence; (b) execution of a definitive agreement; (c) completion of the Concurrent

Offering; (d) receipt of regulatory, corporate and third-party approvals; (e) acceptance of the Proposed Transaction as Yubba's Qualifying Transaction by the TSXV; (f) receipt of approval for the listing of the common shares of the Resulting Issuer by the TSXV; and (g) shareholders of Yubba approving certain matters ancillary to the Proposed Transaction, including the Share Capital Amendment. There can, however, be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement, non-offering prospectus, or management information circular to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon.

Trading in securities of a capital pool company should be considered highly speculative. Shares of Yubba have been halted from trading on the TSXV, and trading is not expected to resume until closing of the Proposed Transaction.

This press release is not an offer of securities for sale in the United States. The securities described in this press release have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended) absent registration or an exemption from registration. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction where such offer, solicitation, or sale would be unlawful.

The TSXV has in no way passed upon the merits of the Proposed Transaction and has not approved or disapproved of the contents of this news release.

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

### **About Yubba**

Yubba Capital Corp., incorporated under the laws of the Province of Ontario on January 8, 2021, is a Capital Pool Company listed on the TSXV. It has not commenced commercial operations and has no assets other than cash. For further information, please see the final prospectus of the Company dated May 28, 2021 filed on SEDAR at [www.sedar.com](http://www.sedar.com).

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### ***Cautionary Note Regarding Forward-Looking Information***

*This press release contains statements which constitute "forward-looking information" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of Yubba and IHC with respect to future business activities. Forward-looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions and includes information regarding: (i) the completion of the Concurrent Offering and the terms on which the Concurrent Offering is intended to be completed; and (ii) the terms on which the Proposed Transaction is intended to be completed, the ability to obtain necessary approvals (including, without limitation, regulatory and TSXV approvals) and other factors.*

*Investors are cautioned that forward-looking information is not based on historical facts but instead reflect Yubba and IHC's respective management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although Yubba and IHC believe that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and under reliance should not be*

*placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the combined company. Among the key factors that could cause actual results to differ materially from those projected in the forward looking information are the following: the ability to obtain requisite approvals and the satisfaction of other conditions to the consummation of the Proposed Transaction and Concurrent Offering, the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Proposed Transaction on the proposed terms; the potential impact of the announcement or consummation of the Proposed Transaction on relationship, including with regulatory bodies, employees, suppliers, customers and competitors; the re-rating potential following the consummation of the Proposed Transaction; changes in general economic, business and political conditions, including changes in the financial markets; and the diversion of management time on the Proposed Transaction. This forward-looking information may be affected by risks and uncertainties in the business of Yubba and IHC and market conditions.*

*Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Yubba and IHC have attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Yubba and IHC do not intend, and do not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.*