

BMGB Capital Corp. Files Filing Statement Respecting Qualifying Transaction

Vancouver, British Columbia--(Newsfile Corp. - December 1, 2022) - **BMGB Capital Corp. (TSXV: BMGB.P)** ("**BMGB**" or the "**Company**") is pleased to announce that it has filed a filing statement dated November 28, 2022 (the "**Filing Statement**") in connection with its previously announced proposed "qualifying transaction" (the "**Transaction**"), as defined under TSX Venture Exchange (the "**Exchange**") Policy 2.4 - *Capital Pool Companies*, with NAVCO Pharmaceuticals Limited ("**NAVCO**").

BMGB, NAVCO and the NAVCO shareholders have executed and delivered a share exchange agreement dated as of January 18, 2021, as amended (the "**Share Exchange Agreement**"), pursuant to which BMGB will acquire all of the issued and outstanding common shares of NAVCO by issuing an aggregate of 21,340,000 BMGB common shares pro rata to the NAVCO shareholders at deemed price of \$0.15 per share, representing an aggregate valuation for NAVCO of \$3,201,000. The Share Exchange Agreement also contemplates BMGB issuing 340,000 BMGB common shares as a finder's fee to an arm's length third party. In connection with the Transaction, BMGB has loaned NAVCO an aggregate of \$98,500 (plus accrued interest), repayable by NAVCO on or before December 31, 2022.

Closing of the Transaction is subject to completion of certain conditions precedent, including without limitation completion by BMGB of a private placement (the "**Private Placement**") for gross proceeds of no less than \$2,000,000 and receipt of all necessary regulatory and Exchange approvals. Under the Private Placement, BMGB will raise gross proceeds of no less than \$2,000,000 and no more than \$2,500,000 through the issuance of units at a price of \$0.15 per unit, with each unit comprised of one BMGB common share and one common share purchase warrant (each warrant exercisable for an additional BMGB common share for two years at an exercise price of \$0.25). BMGB may pay finder's fees of up to 8% of the gross proceeds of the Private Placement and may issue such number of finder's warrants (each exercisable for one BMGB share at an exercise price of \$0.15 for two years from the date of issuance) equal to 8% of the number of units issued under the Private Placement.

The Transaction will not constitute a "Non-Arm's Length Qualifying Transaction" (as such term is defined by the Exchange). In addition, the Transaction is not a "related party transaction" as such term is defined by Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* and is not subject to Policy 5.9 of the Exchange. As a result, no meeting of the shareholders of BMGB is required pursuant to Policy 2.4 of the Exchange or applicable securities laws.

Trading of the common shares of BMGB will remain halted in connection with the dissemination of this news release and will recommence at such time as the Exchange may determine, having regard to the completion of certain requirements pursuant to Exchange Policy 2.4. For further information, please refer to the Filing Statement on SEDAR at www.sedar.com. The Company will provide further updates respecting the Transaction in due course.

About BMGB

BMGB is a capital pool company in accordance with Exchange Policy 2.4 and its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction.

For additional information, please refer to the Company's disclosure record on SEDAR (www.sedar.com) or contact the Company as follows: Lucas Birdsall, CEO, at (778) 549-6714 or lucasbirdsall@gmail.com.

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Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority 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 a capital pool company 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.

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to BMGB and NAVCO, including, the completion of the Private Placement and the Transaction, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the companies' current views and intentions with respect to future events, and current information available to them, and are subject to certain risks, uncertainties and assumptions, including, without limitation: the results of the business of NAVCO; the estimation of capital requirements; the estimation of labour and operating costs; the timing and amount of future business expenditures; and the availability of necessary financing. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. Such factors include but are not limited to: changes in economic conditions or financial markets; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and technological or operational difficulties. This list is not exhaustive of the factors that may affect forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. Should any factor affect the companies in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the companies do not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the companies undertake no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

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

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