PONDEROUS PANDA CAPITAL CORP.
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NEWS RELEASE

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Ponderous Panda Capital Corp. Announces Proposed Qualifying Transaction

Vancouver, British Columbia. Ponderous Panda Capital Corp. ("PPCC" or the "Company") (TSX VENTURE: PPCC.P), a capital pool company, is pleased to announce that it has entered into a Letter of Intent dated August 26, 2019 (the "LOI") for the acquisition (the "Proposed Transaction") of Veridyne Power Corp. ("Veridyne"), a private company incorporated pursuant to the laws of British Columbia. Upon completion of the Proposed Transaction, the business of Veridyne will become the business of PPCC.

PPCC is a capital pool company and the Proposed Transaction is intended to constitute the Company's qualifying transaction ("Qualifying Transaction") under Policy 2.4 of the TSX Venture Exchange (the "Exchange").

All amounts referred herein are in Canadian dollars unless otherwise indicated.

Non Arms Length Qualifying Transaction

Rodney W. Reum and Nicolette A. Keith were both insiders and related persons to Veridyne and PPCC as they were Directors of both PPCC and Veridyne. Both Mr. Reum and Ms. Keith abstained from voting at meetings of Directors of PPCC during discussions in respect of the Proposed Transaction and resigned from the Board of Directors of PPCC on July 11, 2019 prior to the date the LOI was approved and executed. David W. Smalley (8.33%), Director, President and CEO of PPCC and Andrew T. Hunter (0.89%), Corporate Secretary of PPCC are shareholders in both Veridyne and PPCC, but are not related persons, insiders, or control persons of Veridyne.

The Proposed Transaction therefore constitutes a Non Arms Length Qualifying Transaction (as defined in Policy 2.4 of the Exchange) and therefore a shareholder meeting and the approval of the majority of the minority of the shareholders of the Company will be required prior to the completion of the Proposed Transaction.

About Veridyne

Veridyne was incorporated by articles of incorporation dated June 23, 2015 under the Business Corporations Act (British Columbia). The registered head office of Veridyne is located at 2300 – 1066 West Hastings Street, Vancouver, B.C., V6E 3X2.

Veridyne's mission is "to power the world efficiently, effectively, economically and ecologically responsibly". Today, approximately 1 billion people lack access to electric power, and another 2 billion have only limited access. For more than a third of the world, the challenge is not just access to clean energy, but access to any energy at all! The rest of the world is primarily dependent on inefficient, uneconomic and ecologically damaging technology.

Veridyne is developing Solid Oxide Fuel Cell (SOFC) power generating units. SOFC power generation is highly understood and recognized as holding the greatest promise to address the world's energy problems because SOFC generate electricity more efficiently than legacy combustion electrical generation, and with zero ozone pollutants such as NOX's and SOX's. SOFC's convert standard low-pressure natural gas or biogas into electricity through an electrochemical process without combustion, resulting in very high conversion efficiencies and lower harmful emissions than conventional fossil fuel generation. SOFC's can demonstrate electrical efficiencies up to

95% depending on various co-gen, heat recovery designs, whereas Combustion systems are limited to +/- 32% due to mechanical heat and friction losses. Also, the operating temperatures of SOFC's are far below the 1,300 deg C needed for Nitrogen and Sulphur molecules to combine with oxygen to form the hazardous pollutants associated with burning fuels to generate electricity.

The Veridyne SOFC will seek to deliver dependable, uninterrupted, clean and affordable energy, particularly in areas of high electricity costs, by its advanced distributed power generation system that is customizable, always-on and a source of primary base load power. In addition, Veridyne anticipates that power generated with its power systems will demonstrate the lowest Levelized Cost of Electricity, which is a combination of initial CAPEX, installation, fuel consumption, maintenance and replacement.

The Veridyne Power System is based on its proprietary tubular design solid oxide fuel cell technology, which converts fuel into electricity through an electrochemical process without combustion. Tubular design has proven thermal stress management properties far superior to the planar design which is currently popular. However, tubular has traditionally been far more expensive to build and has been limited to mission critical applications i.e. NASA and the Military where field life is the primary concern. With the introduction of CIM, Veridyne seeks to reduce the cost of anode supported ceramic tubes from hundreds of dollars/tube to less than an estimated $10 per tube, while also exponentially improving precision and performance consistency. The high-quality electrical output of the Veridyne Power Server will be connected to the customer's main electrical feed, which avoids the transmission and distribution losses associated with the centralized grid system. Likewise, Veridyne Power systems have the potential to be scalable right from individual homes through to campus power and even replace aging coal-fired power systems, while continuing to leverage the existing coal handling systems and the benefits of near-limitless cheap fuel, but without the harmful emissions.

As of its fiscal year end of August 31, 2018, Veridyne's unaudited financial statements show that it has CAD$92,349 of current assets that are part of its CAD$373,844 total assets. Veridyne has current liabilities of CAD$1,274,132 and total liabilities of CAD$1,274,132. It had no revenue and general and administrative expenses totaling CAD$39,743 for a net loss of CAD$39,743. Subsequent to August 31, 2018 CAD$941,473 of the liabilities were converted into 1,787,425 shares of Veridyne at USD$0.40 (CAD $0.53) per share.

Veridyne has two shareholders who beneficially own, direct or control more than 10% of Veridyne's common shares on a non-diluted basis: Peter Hogendoorn, British Columbia – C.E.O. (13.58%) and Rodney W. Reum, British Columbia – Director and President (11.32%).

Terms of the Proposed Transaction

Pursuant to the terms of the LOI, PPCC and Veridyne will complete a business combination whereby PPCC will acquire all the shares of Veridyne, and the business of Veridyne will become the business of the resulting issuer ("Resulting Issuer"). Veridyne shareholders will receive one common share of PPCC for every common share of Veridyne currently held (the "Transaction Shares"), The Transaction Shares will be issued to the shareholders of Veridyne pursuant to exemptions from the registration and prospectus requirements of applicable securities laws. The Transaction Shares may be subject to resale restrictions as required under the applicable securities legislation and the Exchange and may also be subject to escrow restrictions as required by the Exchange.

In connection with the Proposed Transaction, the Resulting Issuer will change its name to a name acceptable to Veridyne subject to approval by the applicable regulatory authorities (the "Name Change").

It is expected that upon completion of the Proposed Transaction, the Resulting Issuer will be listed as a Tier 2 Industrial or Technology or Life Sciences Issuer on the Exchange.

In addition, the parties have agreed that a CAD$250,000 break fee will be payable to the non terminating party where a party terminates the LOI under certain conditions.

Proposed Private Placement

Prior to or concurrent with the Closing of the Proposed Transaction, either Veridyne, or PPCC, or a combination of the two will complete a financing or financings (debt or equity) (the "Private Placement") for up to USD $4,000,000 (approx. CAD $5,330,000) at a price of not less than USD $0.40 (approx. CAD $0.533). All securities issued pursuant to the Private Placement will be subject to a hold period of four months and one day.

The proceeds raised will be used to fund the costs associated with completing the Proposed Transaction and for general working capital of the Resulting Issuer, as applicable.

Commissions may be paid on proceeds raised commensurate with industry norms. It is not known if any investment dealer or other registrant will be engaged to assist with fund raising activities.

PPCC will provide updates to the terms and results of the Private Placement as they are finalized.

Proposed Loan

Under the LOI PPCC has agreed to provide a loan of not less than $160,000 and not more than $225,000 to Veridyne to be secured against the assets of Veridyne (the "Loan"). The terms of the Loan, once agreed between the parties, will be disclosed in a further News Release.

The Loan is not a condition precedent to the completion of the Proposed Transaction. The Loan is subject to a number of conditions, including but not limited to, Exchange acceptance and the requirements of Policy 2.4 of the Exchange.

Capitalization of the Resulting Issuer

There are currently 33,870,758 common shares of Veridyne issued and outstanding. This will result in PPCC issuing an aggregate of 33,870,758 common shares to the shareholders of Veridyne, exclusive of any shares issued pursuant to the Private Placement. These numbers will be adjusted accordingly to account for any common shares of Veridyne issued by Veridyne in connection with the Private Placement.

There are currently 3,065,004 PPCC common shares issued and outstanding, as well as 306,500 stock options currently exercisable at CAD $0.30 and expiring ten years from the date of issuance, and 200,000 warrants of PPCC currently exercisable at CAD $0.30 and expiring two years from the date of issuance.

All common shares of PPCC to be issued to shareholders of Veridyne upon completion of the Proposed Transaction may be subject to resale restrictions under securities laws. In addition, all common shares held by Principals (as such term is defined in the policies of the Exchange) of PPCC and the Resulting Issuer will be held in escrow in accordance with the policies of the Exchange.

Sponsorship

Sponsorship of a Qualifying Transaction is required by the TSXV unless exempt in accordance with the TSXV policies. PPCC intends to apply to the TSXV for a waiver of the TSXV's sponsorship requirements; however, there is no assurance that PPCC will ultimately obtain an exemption or waiver from sponsorship.

Conditions Precedent

The parties' obligations to complete the Proposed Transaction are subject to the satisfaction of customary conditions precedent including:

(a) all necessary approvals of the Exchange and all other regulatory authorities and third parties to the Proposed Transaction and the Private Placement being obtained;
(b) the approval or consent by shareholders of Veridyne and of the majority of the minority of the the shareholders of PPCC of the Proposed Transaction, has been obtained to the extent applicable;
(c) PPCC completing the Name Change on the terms set forth above;
(d) the Private Placement having been completed;
(e) the parties being satisfied with the results of their respective due diligence reviews in connection with the Proposed Transaction; and
(f) the Exchange conditionally accepting the common shares of the Resulting Issuer for listing, subject to the Resulting Issuer fulfilling the listing requirements of the Exchange.

Directors, Officers and Insiders of Resulting Issuer

On completion of the Proposed Transaction, the directors, officers and insiders of the resulting issuer are anticipated to be the following individuals.

Rodney W. Reum – Chairman, President and Director

Rodney Reum, B.Comm., CPA, CGA, has over 35 years of experience in business, accounting and finance in both the public and private sectors. Mr. Reum received his Bachelor of Commerce from the University of Alberta and obtained a professional accounting designation (CGA) shortly thereafter. Mr. Reum was a Director, President and Chief Executive Officer of several publicly listed companies on the Canadian, US, and German Exchanges and is currently a director of several publicly listed companies. Mr. Reum also consults to both public and private companies in the area of finance, corporate governance and securities compliance.

Peter A. Hogendoorn – Chief Executive Officer

Mr. Hogendoorn has been involved in Corporate Finance and Venture Capital as an Independent Consultant for over 20 years. He has specialized in technology and mining and was a major component in successfully financing over 25 companies. From 2009 to 2015 Peter was President of Scepter Media and its wholly owned subsidiary, Odyssey Media Inc., which raised $20 million in new investor funding. Peter's involvement with LML Payment Systems Inc., an electronic payment processing company, lead to $26 million in investor funding to further propel the company into the $20 billion dollar market of global online transactions. LML was sold to Digital River, Inc. of Minneapolis. Mr. Hogendoorn has been involved in financing several alternative energy and advanced materials, including pyrolysis conversion of plastics to energy and carbon char, composite carbon/resin/fiber and ceramics, and most recently the completion of a nutraceutical plant in Abbotsford, BC.

Nicolette A. Keith – Chief Financial Officer

Nicolette Keith, B.A., C.G.A. (British Columbia), is the former Chief Financial Officer of Mission Ready Services Inc. until June 2017. She has over 10 years of experience as a CFO of public companies having previously served as CFO of Altek Power Corporation which was listed on the Exchange from July 2004 to April 2009. Miss Keith received her Bachelor of Arts from the University of Victoria in April, 1996 and gained her C.G.A. designation in March 2004.

David W. Smalley – Director and General Counsel

Mr. Smalley is the principal of David Smalley Law Corporation where he practices corporate and securities law. He was called to the bar of the Law Society of British Columbia in 1989. Mr. Smalley earned a Bachelor of Laws degree from the University of British Columbia and a Bachelor of Arts degree from the University of Victoria.

He has been an officer and director of numerous public companies over the last 20 years as well as serving as chair of numerous audit and governance committees. Mr. Smalley was one of the founders of Canaco Resources (now Orca Gold) and was previously a director of Mission Ready Services Inc. and a director and chair of the audit committee of Scorpio Gold Corporation. Mr. Smalley was also a director Extreme CCTV Inc. and chair of its mergers and acquisitions committee in relation to the sale of the company to a private German company for $93 million.

Larry K. Doan – Director

Larry Doan is an executive who previously served as a Director of Mission Ready Services Inc., an Exchange listed company that develops and manufacturers products for use by militaries and first responders. He was a director of Flying Monkey Capital Corp. (now "Fabled Copper Corp.") a capital pool company which completed its qualifying transaction with Fabled Copper and Gold Corp. in September 2018, and a director of Marching Moose Capital Corp. (now "Avidian Gold Corp."), a capital pool company which completed its qualifying transaction with Avidian Gold Inc. in December 2017. Mr. Doan was a director/founder and Vice President of Extreme CCTV, a company that he helped take public onto the Exchange and the Toronto Stock Exchange and was part of the Directors committee that oversaw the takeover of the company in 2007. His focus had been on developing sales channels in North America and Europe.

Michael B. Harrison – Director

Mr. Harrison was previously an investment banker and worked for Planvest Capital (C.M. Oliver) in Vancouver from 1987-1992, achieving the position of Chief Development Officer.

Mr. Harrison has arranged financing for both public and private companies in both North America and Asia. From 1993 to 1997 he was Chief Development Officer of Biocoll Medical., a biotech company, that successfully commercialized its technology and divested it to GenSci Regeneration Sciences Inc. in 1997. He has also been involved in mining, acting as President of two companies who were public at the time (ERI Ventures from 1996 to 1997 and International Annax from 1994 to 2000 and a private company (Indoterra Resources, 2007 – 2014) in Asia.He is currently CEO of Pebble Labs Inc., a biotechnology company,that is developing disruptive technologies to address the greatest agricultural, health and environmental challenges facing the globe and is Chairman of Trait Biosciences Inc., a cannabis focused biotechnology company conducting groundbreaking research in cannabinoid cultivation and product development.

David Weaver – Director

Mr. Weaver has been a well-respected member of the power and energy industry for several decades. His education and designation as a Chartered Professional Engineer in Mechanical, Nuclear, Energy and Petroleum along with experience from a number of ventures early in his career has allowed David to lead several large companies including CMS Energy and BP to great success in new markets before establishing his own company, GSS Energy, of which he remains Managing Director. Since starting his own company he has successfully served in several non-executive Director/Chairman positions, by invitation, in private and listed companies in several countries and acted as adviser and consultant to governments, banks and large corporate organizations, including interim CEO during the privatization of the United Kingdom Atomic Energy Authority. His accolades include being awarded Director of the Year 2013 by DeLoitte, Founder Member of the Institute of Petroleum Engineers, Fellow of the Energy Institute, and serving as advisor to the Prime Minister of the UK on trade missions representing the UK Technology Sector.

Andrew T. Hunter – Corporate Secretary

Mr. Hunter is a Scottish solicitor (non-practicing) who obtained his LLB from the University of Dundee in 2006 and his LLM in Professional Legal Practice from the University of Strathclyde in 2013. Mr. Hunter has 4 years experience of private practice in Scotland and has worked as a corporate and securities paralegal since moving to Canada in 2015. Mr. Hunter is corporate secretary of Fabled Copper Corp. and Efficacious Elk Capital Corp. both companies currently listed on the Exchange. He has experience all manner of corporate and securities law issues and in conducting effective corporate governance procedures.

Trading Halt

The shares of PPCC will remain halted until completion of the Qualifying Transaction.

General

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.

All information contained in this news release with respect to PPCC and Veridyne was supplied by the parties, respectively, for inclusion herein, and PPCC and its directors and officers have relied on Veridyne for any information concerning Veridyne.

Neither the TSX Venture 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 press release.

For further information please contact:

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Forward Looking Statements

This news release contains forward-looking statements relating to the timing and completion of the Proposed Transaction, the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Proposed Transaction and the future plans and objectives of the Company, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions to completion of the Proposed Transaction set forth above and other risks detailed from time to time in the filings made by the Company with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company cannot guarantee that the Proposed Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.

In the case of Veridyne, this news release includes certain "forward-looking statements" which are particular to Veridyne and are not comprised of historical facts. Forward-looking statements include estimates and statements that describe Veridyne's future plans, objectives or goals, including words to the effect that Veridyne or its management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to Veridyne, Veridyne provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, Veridyne's objectives, goals or future plans, statements, research results, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, the ability of the Veridyne to successfully implement its scientific research and product development strategy and whether these will yield the expected benefits; competitive factors in Veridyne's industry sector; the success or failure of product development programs; currently existing applicable laws and regulations or future applicable laws and regulations that may affect Veridyne' s business; decisions of regulatory authorities and the timing thereof; claims or concerns regarding the safety or efficacy of marketed products or product candidates; the economic circumstances surrounding Veridyne's business, including general economic conditions in Canada, the US and worldwide; changes in exchange rates; changes in the equity market; inflation; uncertainties relating to the availability and costs of financing needed in the future; and those other risks to be disclosed in the filing statement or other disclosure document to be prepared in connection with the Proposed Transaction. Although Veridyne believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Veridyne disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.