

Vaxil Bio Enters Into Definitive Agreement With Green Data Centers for Reverse Take Over

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TORONTO, Aug. 21, 2024 -- Vaxil Bio Ltd. (“**Vaxil**” or the “**Company**”) (TSXV:VXL) and Green Data Center Real Estate Inc., a corporation existing under the laws of British Columbia (“**Green Data Centers**”) are pleased to announce that, further to Vaxil’s news release dated May 27, 2024, they have entered into an amalgamation agreement dated August 20, 2024 (the “**Definitive Agreement**”), pursuant to which Vaxil will acquire all of the issued and outstanding securities of Green Data Centers by way of a three-cornered amalgamation under the *Business Corporations Act* (British Columbia) in exchange for securities of Vaxil issued on a one-for-one and post-Consolidation (as defined below) basis to be issued to the former security holders of Green Data Centers (the “**Transaction**”).

The Transaction is expected to constitute a reverse take-over of Vaxil and a change of business for the Company, with the Company carrying on the business of Green Data Centers following closing, as further described below.

About Green Data Centers

Green Data Centers’ mission is to sustainably power the digital world. Green Data Centers develops and plans to construct renewable energy generation, storage assets and hyperscale data centers. These assets are in high demand due to the increasing creation and utilization of digital data, combined with the exponential growth in Artificial Intelligence, which is driving the need for trillion-dollar data centers to support this rapid expansion.¹ It has been projected that energy consumption of the largest AI training cluster will grow to consume 20% of the U.S. electricity production by the end of the decade, driven by the exponential increase in compute power.² The need for power, land, and infrastructure is expected to become a significant constraint in the development of these trillion-dollar AI clusters.³

Green Data Centers creates value through:

- **Renewable Generation:** Solar and wind power generation can produce long term revenue from selling power to the grid and can offer low-cost renewable energy for data center use.
- **Battery Energy Storage Systems (BESS):** Green Data Centers is developing a portfolio of BESS projects that will produce revenue from energy arbitrage and grid services. BESS projects buy low priced energy during off peak, low demand hours and sell for a profit during peak priced hours.
- **Data Centers:** Green Data Centers develops powered-land, powered-shells or fully operational wholesale data centers.

Green Data Centers seeks to pair energy generation, storage and data centers presenting a major competitive advantage which results in higher arbitrage for energy storage and lower cost of power for data centers.

Green Data Centers development pipeline includes the following, which has the potential for nearby data center development:

250MW West Texas BESS Project

Green Data Centers has entered into a purchase agreement to acquire land for a 250MW/1000MWh BESS project at a grid node with significant renewable energy variability. The project, subject to final permitting, has a projected CAPEX of \$375 million USD and projected gross revenues from third party modelling in excess of \$100 million USD. Green Data Centers anticipates selecting an EPC contractor and battery manufacturer in early 2025, with project completion and revenue planned in 2026.

Project Financing

Green Data Centers plans to finance its project pipeline on a non-recourse basis with a combination of equity, debt and tax credits. Under the Inflation Reduction Act, Investment Tax Credits (ITCs) in America which can provide up to 30% of CAPEX plus an additional 10% for each: domestic US content, historical hydrocarbon development area (an energy community) or low-income communities. The ITCs are typically sold to large banks and other investors at commercial operation of the project, thereby contributing materially to the overall project capital stack.

Green Data Centers anticipates raising project equity optimally between private equity funds participating at the project level, green bonds or private placements in the parent company. Discussions are currently underway with substantial equity providers and partners.

Additional information about Green Data Centers may be found on its website: greendatacenters.com

About the Transaction

Vaxil is incorporated under the provisions of the *Business Corporations Act* (Ontario) with its registered and head office in Toronto, Ontario. Vaxil is a “reporting issuer” in the provinces of Alberta, British Columbia, and Ontario.

Vaxil will hold a meeting of its shareholders (the “**Vaxil Shareholders’ Meeting**”), as soon as reasonably practicable, to vote on the Transaction and the Divestment (as defined below) and such other matters relating to the Transaction, as may be required, including:

- a change of name of the Company to “Green Data Centers Inc.” or such other name as is directed by Green Data Centers and acceptable to applicable regulatory authorities effective upon closing of the Transaction (the “**Closing**”);
- the Consolidation (as defined below);
- the adoption of a new equity incentive plan to be effective upon Closing;
- the election of a slate of directors appointed by Green Data Centers, which elections will be effective upon Closing;
- the change in the Company’s auditor from Zeifmans LLP to MNP LLP;
- the amendments to the Company’s articles following Closing;
- the Transaction; and
- the Divestment (as defined below).

It is expected that prior to the Closing of the Transaction Vaxil will divest all existing assets except cash to third parties (the “**Divestment**”), which may require shareholder approval and is subject to approval of the TSX Venture Exchange (the “**TSXV**”). Pursuant to the terms of the Definitive Agreement, the Company also anticipates completing a consolidation (the “**Consolidation**”) of the Vaxil Shares (as defined below) on the basis of approximately one post-Consolidation Vaxil Share for every 107.01463 pre-Consolidation Vaxil Shares, as more particularly set out in the Definitive Agreement.

Trading in the common shares of Vaxil (each a “**Vaxil Share**”) has been halted in accordance with the policies of the TSXV and will remain halted until such time as all required documentation in connection with the Transaction has been filed with and accepted by, and permission to resume trading has been obtained from, the TSXV. There can be no assurance that trading of Vaxil Shares will resume prior to the completion of the Transaction.

Completion of the Transaction is subject to a number of customary closing conditions, including but not limited to TSXV acceptance and, if applicable, pursuant to the requirements of the TSXV, 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.

Pursuant to the Definitive Agreement, Vaxil has agreed to purchase the outstanding securities of Green Data Centers in exchange for the issuance of Vaxil securities to the former security holders of Green Data Centers on a post-Consolidation basis. To effect the Transaction, Green Data Centers will amalgamate with 1493369 BC Ltd., a wholly owned subsidiary of Vaxil. Upon completion of the amalgamation, the amalgamated entity will continue as a wholly-owned subsidiary of Vaxil.

Green Data Centers will hold a meeting of its shareholders (the “**Green Data Shareholders’ Meeting**”), as soon as reasonably practicable, to vote on the Transaction and such other matters relating to the Transaction, as may be required.

Further Information

All information contained in this news release with respect to Vaxil and Green Data Centers was supplied by the parties respectively, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

The securities to be issued in connection with the Transaction 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 may not be offered or sold within the United States or to U.S. Persons (as 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 an exemption from such registration is available. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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.

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 RELEASE.

Cautionary Statements Regarding Forward Looking Information

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the proposal to complete the Transaction, the Divestment and associated transactions. Any such forward-looking statements may be identified by words such as “expects”, “anticipates”, “will”, “believes”, “projects”, “plans” and similar expressions. Readers

are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the completion and expected terms of the Transaction and Divestment, the scheduling and holding of the Vaxil Shareholders' Meeting and the Green Data Shareholders' Meeting, obtaining the requisite shareholder approval, Green Data Centers' strategic plans, the anticipated business of Green Data Centers or the Company following Closing, such as projected CAPEX and projected gross revenues, projections around AI clusters, anticipated timeline for selecting EPC and battery manufacturers, anticipated project financing, Green Data Centers' ability to create value through solar and wind power generation, BESS projects and the development of powered-land, powered-shells or fully operational wholesale data centers, the ability to use the lands in the West Texas BESS Project for a 250MW/1000MWh BESS, and the parties' ability to satisfy closing conditions and receive necessary approvals, and such other statements that are not statements of historical fact, are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements, including but not limited to, the ability of the Company to receive all regulatory and shareholders approvals in a timely manner, risks associated with the completion of the Transaction, such as the Company's anticipated change in business, the realization of the anticipated benefits of the Transaction, the Company's ability to generate sufficient cash flow to meet its current and future obligations, the Company's ability to access sources of debt and equity capital, competitive factors, and general economic and business conditions. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction (including the name change and Consolidation), the Divestment or any of the related transactions will occur or that, if the Transaction, the Divestment or related transactions do occur, they will be completed on the terms described above. Vaxil and Green Data Centers assume no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

For more information, please contact:

Vaxil Bio Ltd.

Gadi Levin, CEO
info@vaxil-bio.com
+16475585564

Green Data Center Real Estate Inc.

Jason Bak, CEO
jbak@greendatacenters.com

^{1, 2} Leopold Aschenbrenner, June 2024. *SITUATIONAL AWARENESS: The Decade Ahead. Racing to the Trillion-Dollar Cluster*, section IIIa. Retrieved from <https://situational-awareness.ai/>

³ Leopold Aschenbrenner, June 2024. *SITUATIONAL AWARENESS: The Decade Ahead. From AGI to Superintelligence: the Intelligence Explosion*, section II. Retrieved from <https://situational-awareness.ai/>