

Hopefield Ventures Two Inc. Announces Proposed Business Combination with Predictive Technologies LLC

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VANCOUVER, British Columbia, July 20, 2023 – Hopefield Ventures Two Inc. (TSXV: HVILP) (“**HVII**” or the “**Company**”) is pleased to announce that it has entered into a non-binding letter of intent (“**LOI**”) dated July 20, 2023 to complete a business combination (the “**Transaction**”) with Predictive Technologies LLC (“**Predictive**”). The Transaction will be an arm's length transaction, and, if completed, will constitute HVII’s “Qualifying Transaction” (as such term is defined in Policy 2.4 – *Capital Pool Companies* (“**Policy 2.4**”) of the TSX Venture Exchange (the “**TSXV**” or the “**Exchange**”) Corporate Finance Manual (the “**Manual**”).

In connection with the Transaction, HVII and Predictive will issue a subsequent news release setting out further information contemplated in Policy 2.4.

Trading of HVII’s common shares 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 the TSXV and permission to resume trading has been obtained from the TSXV. It is likely that trading in the HVII’s common shares will not resume prior to the closing of the Transaction.

About Predictive Technologies LLC

Predictive is a technology company which develops and implements state-of-the-art artificial intelligence capabilities which are delivered through a software-as-a-service (“**SaaS**”) business model. These technologies are built on 7 years of dedicated research and development. Customers can utilize the Predictive’s AI technologies in their own businesses without having to invest in the infrastructure and expertise to develop these capabilities themselves. They include, amongst others, services such as automated data analytics, natural language processing, predictive modelling, image and video analytics, and assistance and advisory function. Predictive markets its AI technologies under the name “Qeleo”.

Predictive is a limited liability company existing under the laws of Colorado, United States, which was formed on September 16, 2016.

To learn more, visit: <https://qeleo.com>

To experience Predictive’s AI platform, visit: <https://qeleo.ai>

About HVII (TSXV: HVILP)

HVII is a corporation incorporated under the laws of the Province of British Columbia and is a “reporting issuer” in the Provinces of British Columbia, Alberta, and Ontario (the “**Reporting Provinces**”). HVII was incorporated on January 24, 2022 pursuant to the provisions of the *Business Corporations Act* (British Columbia).

HVII is a “capital pool company” (within the meanings of the policies of the TSXV, including Policy 2.4). HVII has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in Policy 2.4, until the completion of a Qualifying Transaction (as defined in Policy 2.4), HVII will not carry on any business other than the identification and evaluation of companies, business or assets with a view to completing a proposed Qualifying Transaction.

Terms of the Transaction

The final structure of the Transaction is subject to receipt of final tax, corporate and legal (including securities law) advice for both HVII and Predictive, and will be disclosed in a subsequent press release. The Transaction shall be structured so as to provide holders (“**Predictive Securityholders**”) of Predictive equity securities (“**Predictive Securities**”) with securities of HVII which are freely-tradable in the Reporting Provinces and in a manner that is tax efficient to such holders.

The Transaction is expected to be completed by way of three-cornered amalgamation, plan of arrangement, takeover bid, share purchase or other similar form of transaction or a series of transactions that have a similar effect, pursuant to the laws of the Province of British Columbia. The publicly traded entity resulting from the Transaction is referred to as the “**Resulting Issuer**”.

Pursuant to the terms and conditions of the LOI, Predictive and HVII (each, a “**Party**”, and collectively, the “**Parties**”) have agreed to diligently and act in good faith to negotiate the terms and conditions of a definitive agreement (the “**Definitive Agreement**”) incorporating the principal terms of the Transaction as described in the LOI, and in addition, such other terms and provisions of a more detailed nature as the Parties may agree upon and as are customary for transactions of this nature.

In the Definitive Agreement, each of HVII and Predictive will make such representations and warranties as are customary in transactions of this nature including, without limitation, representations as to the power, authority and standing of such Parties to engage in the contemplated Transaction; the absence of material pending or, to the knowledge of the Parties, threatened litigation and liabilities (contingent or otherwise) affecting the business of any Party in relation to the Transaction; the absence of any material default by either of the Parties under the terms of any material contract; and the accuracy in all material respects of the information, contracts and other materials furnished by either of the Parties for review by the other Party. Specific reference herein to the foregoing representations will not preclude the Parties from requiring such additional representations from the other Party, as such Party may reasonably require in the Definitive Agreement.

The Parties intend to enter into the Definitive Agreement on or before September 15, 2023, or such other date as agreed to by the Parties.

In addition, either Party may terminate the LOI before entering into the Definitive Agreement if: (a) it is not reasonably satisfied with the results of its due diligence investigations of the other party

or as to the legal or tax consequences of concluding the Transaction; (b) the Parties have not entered into the Definitive Agreement on or before October 15, 2023 or such other dates as the Parties have agreed in writing; or (c) if any law, regulation or judgement of a governmental authority of competent jurisdiction makes the completion of the Transaction or the transactions contemplated by the LOI illegal or otherwise prohibited, and such law has become final and non-appealable. The LOI is intended as an expression of mutual intention of the Parties to proceed towards negotiating the Definitive Agreement, provided that there is no assurance that a Definitive Agreement will be successfully negotiated or entered into.

The Definitive Agreement will contemplate a reciprocal break fee of CAD\$50,000, payable in the event of customary circumstances to be detailed in the Definitive Agreement. No deposit, advance, or loan between HVII and Predictive is contemplated as part of the Transaction.

Prior to the completion of the Transaction, if required, HVII will diligently seek shareholder approval, including by way of calling and holding a meeting of its shareholders in accordance with applicable corporate and securities laws, to effect: (i) the election of nominees of Predictive to the board of directors of the Resulting Issuer, conditional upon the completion of the Transaction; (ii) the Name Change (as hereinafter defined); (iii) the Consolidation (as hereinafter defined); (iv) the Transaction or any component thereof as may be required by the Exchange; and (v) such other matters as Predictive may reasonably request in connection with the completion of the Transaction, including without limitation the approval of a new equity incentive plan (the “**New Plan**”) and new constating documents of the Resulting Issuer to include provisions pursuant to which, amongst other things, the intellectual technology and intellectual property of the Resulting Issuer may not be used for nefarious purposes (the “**New Articles**”), in each case as proposed by Predictive, acting reasonably.

Name Change

In connection with the Transaction, the Parties have agreed that HVII will propose to change its name to “Qeleo Group Inc.” or such other name as may be determined by Predictive and HVII, subject to the approval of the shareholders of the Resulting Issuer (the “**Name Change**”).

Consolidation and Capitalization

Immediately prior to the share exchange contemplated by the Transaction, HVII will complete a consolidation of its issued and outstanding capital on the basis of one post-consolidated HVII share (each an “**HVII Post-Consolidated Share**”) for each 2.0868749 pre-consolidation HVII Shares, resulting in an aggregate of 8,571,429 HVII Post-Consolidated Shares (the “**Consolidation**”).

Pursuant to the applicable steps of the Transaction, the equity capital of HVII and Predictive will be reorganized as contemplated by the LOI, including:

- (a) to implement the Consolidation;
- (b) existing holders of HVII’s convertible securities shall become holders of equivalent convertible securities of the Resulting Issuer, adjusted for the Consolidation;

- (c) Predictive Securityholders shall receive an aggregate of 112,239,142 common shares of the Resulting Issuer (“**Resulting Issuer Shares**”), on a pro rata basis; and
- (d) HVII shall become the holder of all Predictive Securities.

Following the Transaction, the Concurrent Financing, and the Consolidation, the Resulting Issuer will have approximately 129,382,000 common shares issued and outstanding, of which the shareholders of HVII will hold approximately 8,571,429 common shares (6.63%), the shareholders of Predictive will hold approximately 112,239,142 common shares (86.75%), and the shareholders under the Concurrent Financing (as defined below) will hold approximately 8,571,429 common shares (6.63%) of the Resulting Issuer.

A portion of the Resulting Issuer Shares may be subject to escrow provisions which shall be imposed by the policies of the TSXV and/or applicable securities laws. If applicable, these escrowed securities will be held in escrow and released, over time, as determined by the TSXV and/or applicable securities laws.

Conditions of the Transaction

Completion of the Transaction is subject to the satisfaction of a number of customary conditions, including, among other things: (i) the negotiation and execution of the Definitive Agreement; (ii) completion of satisfactory due diligence by Predictive and HVII of the other Party; (iii) receipt of all required approvals and consents relating to the Transaction, including without limitation, (A) the TSXV’s approval for the listing of the Resulting Issuer’s shares, (B) any third party consents, and (C) any approvals of the boards of directors and shareholders of Predictive and HVII, as applicable and as required by the TSXV and under applicable corporate or securities laws; (iv) completion of the Consolidation and the Concurrent Financing; (v) HVII shall have positive working capital, no long-term debt and cash or cash equivalents of no less than CAD\$750,000; (vi) Predictive shall have positive working capital and, other than as disclosed to HVII, no long-term debt; (vii) the director nominees of Predictive shall have been elected to the board of directors of the Resulting Issuer, conditional upon the completion of the Transaction, and the management nominees of Predictive shall have been duly appointed as the management of the Resulting Issuer as of the time of closing of the Transaction; (viii) no material adverse change shall have occurred in the business, results of operations, assets, liabilities or financial condition of Predictive or HVII, as applicable, (ix) there being no prohibition under applicable laws against consummation of the Transaction; (x) all directors, officers and members of management of HVII shall have delivered resignations and mutual releases in form and substance acceptable to Predictive, acting reasonably, and no termination, severance or other fees shall be payable to any such directors, officers or members of management of HVII in connection with such resignations and mutual releases; (xi) each of the directors and officers of HVII and Predictive shall enter into voting support agreements with Predictive and HVII, respectively, agreeing to vote all of their securities held in HVII and Predictive, as applicable, in favour of Transaction matters requiring shareholder approval of HVII shareholders or securityholder approval of Predictive Securityholders, as applicable; (xii) HVII having adopted the New Plan and the New Articles, as determined by Predictive, acting

reasonably; and (xiii) such other conditions to closing as may be customary for a transaction of the nature of the Transaction as may be identified by either Party during the course of its due diligence.

Concurrent Financing

Prior to the closing date of the Transaction (the “**Closing Date**”), Predictive, with the assistance of HVII, intends to complete a private placement offering of subscription receipts (the “**Subscription Receipts**”) at a minimum price of CAD\$0.35 per Subscription Receipt, to raise aggregate gross proceeds of a minimum of CAD\$3,000,000, or such other amount and on such other terms as Predictive and HVII may otherwise agree, acting reasonably, which may include the issuance of warrants on such terms as Predictive and HVII may agree, acting reasonably (the “**Concurrent Financing**”).

All Subscription Receipts issued would be convertible, for no additional consideration, into securities of Predictive, which securities shall be exchanged by the holders thereof for economically equivalent securities of the Resulting Issuer, in connection with the completion of the Transaction, and which securities of the Resulting Issuer shall be freely-tradable in the Reporting Provinces. In the event the Transaction does not close on or by a date to be agreed by Predictive and HVII, subscription funds raised under the Concurrent Financing shall be returned to the subscribers thereunder in full, without interest or deduction. The Parties have agreed that it is their intention that the securities of the Resulting Issuer issued in exchange for the securities issued pursuant to the Concurrent Financing will, to the extent permitted by Canadian securities laws, be issued without a hold period in Canada, provided that neither Party will be required to file a prospectus in connection with the securities of the Resulting Issuer.

Prior to the Closing Date, in addition to the Concurrent Financing, Predictive may also complete an interim financing required in connection with the Transaction, on terms and conditions as agreed to between the parties, each acting reasonably (the “**Interim Financing**”).

Exclusivity

Pursuant to the terms of the LOI, in consideration of the expenses that each of the Parties have incurred and will incur in connection with the Transaction, Predictive has agreed that, from the date of the LOI until the earlier of the date of the Definitive Agreement or 5:00 p.m. (Vancouver time) on the date the LOI is otherwise terminated in accordance with its terms, HVII shall not, nor shall any of its representatives (the “**Acquiror Group**”), initiate, solicit, entertain, negotiate, accept or discuss, directly or indirectly, any proposal or offer from any person or group of persons (including any proposal or offer from a person (or group of persons) who is part of the Acquiror Group) to acquire all or any portion of the respective businesses or assets of HVII (an “**Acquisition Proposal**”) whether by business combination, amalgamation, arrangement, purchase of shares, purchase of assets, tender offer, take-over bid or otherwise, or provide any non-public information to any third party in connection with an Acquisition Proposal or enter into any agreement, arrangement or understanding requiring it to abandon, terminate or fail to consummate the Transaction.

The Resulting Issuer

On the Closing Date, HVII shall, subject to receipt of shareholder approval, complete the Name Change and assume the corporate name of “Qeleo Group Inc.” or such other name as may be determined by Predictive and HVII, which will be the name of the Resulting Issuer.

The Resulting Issuer will be involved in the Technology subsector of the TSXV upon completion of the Transaction.

If the Transaction is completed, all directors and officers of HVII shall resign and the board of directors and officers of HVII shall be replaced by nominees of Predictive, in a manner that complies with the requirements of the TSXV and applicable securities and corporate laws.

Information regarding the Principals and Insiders (as such terms are defined under the policies of the TSXV) of the Resulting Issuer will be disclosed in a subsequent press release. Sponsorship, Advisors

HVII intends to make an application for exemption from the sponsorship requirements of the TSXV in connection with the Transaction; however, there is no assurance that the TSXV will exempt HVII from all or part of the applicable sponsorship requirements.

In connection with the Concurrent Financing, Predictive intends to engage Canaccord Genuity Corp. (the “**Advisor**”) in an advisory capacity to assist, on a brokered basis, with the completion of the Concurrent Financing and other matters relating to the Transaction, including, if required by the TSXV, the delivery of a sponsorship letter or such other documentation as may be required by the Exchange in support of the Transaction.

On closing of the Transaction, provided that Predictive has engaged the Advisor, the Advisor shall be entitled to fees payable in cash and warrants, subject to acceleration provisions to be negotiated between the Advisor and Predictive, in consultation with HVII, acting reasonably.

Non-Arm’s Length Parties

No party to the Transaction or their respective Associates or Affiliates (as such terms are defined in the Manual), is a Control Person (as defined in the Manual) of both HVII and Predictive and as such the Transaction will not be a Non-Arm’s Length Party Transaction (as defined in the Manual).

No Non-Arm’s Length Party (as defined in the Manual) to HVII (a) has any direct or indirect beneficial interest in Predictive; (b) is an insider of Predictive; or (c) has any relationship with the Non-Arm’s Length Parties to the Qualifying Transaction (as defined in the manual).

Further Information

HVII and Predictive will provide further details in respect of the Transaction including a summary of the structure of the Transaction, the amount and type of consideration to be paid in connection with the Transaction, the professional biographies of the Principals and Insiders of the Resulting

Issuer, and additional financial information relating to Predictive in due course once available by way of press release.

All information contained in this press release with respect to HVII and Predictive was supplied by the Parties respectively, for inclusion herein, without independent review by the other Party, and each Party and its directors and officers have relied on the other Party for any information concerning the other Party.

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 HVII should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The 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 may not be offered or sold within the United States or to or for the account or benefit of U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Contact Information

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Cautionary Statement Regarding Forward-Looking Information

This news release contains “forward-looking information” within the meaning of Canadian securities legislation. Forward-looking information generally refers to information about an issuer’s business, capital, or operations that is prospective in nature, and includes future-oriented financial information about the issuer’s prospective financial performance or financial position. Any statements that are contained in this press release that are not statements of historical fact may

be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “would”, “will”, “estimates”, “believes”, “intends” “expects” and similar expressions which are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward looking statements concerning (a) the Transaction, (b) the Consolidation (including its timing), (c) the Name Change (including its timing), (d) the Concurrent Financing (including the size and timing associated with completing such financing), (e) the Interim Financing, (f) the expected composition of the board and management of directors of the Resulting Issuer, (g) the New Plan, the New Articles, if any, (h) the completion and timing of board, securityholder and regulatory approvals, including the application to and approval by the TSXV in respect of the Transaction, (i) the proposed structure of the Transaction, (j) the ability of HVII and Predictive to meet the conditions of the Transaction and the timing for completing the Transaction, (k) the timing for entering into a Definitive Agreement and the terms and conditions therein, (l) the preparation and delivery to securityholders of a management information circular, the timing associated with its preparation and delivery to securityholders and the convening of the necessary securityholders meeting, (m) trading in HVII’s common shares and when such trading will resume, if at all, (n) the issuance of and timing associated with issuing a further comprehensive news release or news releases and (o) certain financial information and forecasts.

The Company cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of HVII and Predictive, including expectations and assumptions concerning HVII, Predictive, and the Resulting Issuer, the Consolidation, the Name Change, the Transaction, the negotiation of the Definitive Agreement on satisfactory terms, the timely receipt of all required shareholder, court and regulatory approvals (as applicable), including the acceptance of the TSXV, the satisfaction of other closing conditions in accordance with the terms of the Definitive Agreement, as well as other risks, uncertainties, and assumptions, including but not limited to assumptions regarding prevailing market conditions and general business, economic, competitive, political and social uncertainties to develop the forward-looking information in this news release. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. There can be no assurance that the Transaction will be completed in its entirety. Investors are cautioned that any information released or received with respect to the Consolidation, the Name Change, and the Transaction may not be accurate or complete and should not be relied upon. Such forward-looking statements, 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 press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and HVII does not undertake any obligation to update publicly or to revise any of the included forward looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

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 of this release.