

## REBEL CAPITAL INC.

### REBEL CAPITAL INC. ANNOUNCES ITS QUALIFYING TRANSACTION WITH SPEKTRA DRILLING CANADA INC.

**June 14, 2018** – VANCOUVER, British Columbia - Rebel Capital Inc. ("**Rebel**") (TSXV: RBL.P), a capital pool company pursuant to Policy 2.4 of the TSX Venture Exchange (the "**TSXV**"), is pleased to announce it has entered into a binding amended letter of intent dated June 14, 2018 (the "**Letter of Intent**") with Spektra Drilling Canada Inc. ("**Spektra**"), a corporation existing under the laws of Canada. The Letter of Intent outlines the terms and conditions pursuant to which Rebel will acquire all of the securities of Spektra (the "**Transaction**") pursuant to a definitive agreement (the "**Agreement**"). Upon completion of the Transaction, Rebel will continue on with the business of Spektra, with Spektra as its wholly-owned subsidiary (Rebel, after the Transaction, being referred to herein as the "**Resulting Issuer**"). Upon completion of the Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Industrial issuer on the TSXV.

The Transaction is subject to requisite regulatory approval, including the approval of the TSXV and a number of additional closing conditions, including completion of the Offering (as defined herein) for gross proceeds of no less than C\$6 million.

#### **The Proposed Transaction**

##### *Pre-Closing Capitalization of Rebel*

As of the date hereof, the following Rebel securities are issued and outstanding: (i) 4,660,000 common shares in the capital of Rebel ("**Rebel Shares**"); (ii) 200,000 stock options ("**Rebel Options**") exercisable into Rebel Shares at an exercise price of C\$0.10 per Rebel Share; and (iii) 200,000 common share purchase warrants ("**Rebel Warrants**") exercisable into Rebel Shares at an exercise price of C\$0.10 per Rebel Share.

##### *Pre-Closing Capitalization of Spektra*

As of the date hereof, 8,641,476 common shares in the capital of Spektra (the "**Spektra Shares**") are issued and outstanding. Further details with respect to the capitalization of Spektra after giving effect to the Offering and the Share Split will be provided by way of a subsequent news release.

##### *Terms of the Transaction*

Following the satisfaction of the conditions to the Transaction, including the Share Split (as defined herein) and the completion of the Offering, Rebel will acquire all of the Spektra Shares through the issuance of common shares in the capital of the Resulting Issuer ("**Resulting Issuer Shares**") on a 1-for-1 basis. The terms of the Transaction will also provide that each issued and outstanding Spektra Warrant (as defined herein) and Spektra Compensation Option (as defined herein) will be exchanged for a warrant or compensation option, as applicable, of Rebel on equivalent terms after having given effect to the Transaction.

The Transaction is not a Non Arm's Length Qualifying Transaction pursuant to Policy 2.4 of the TSXV and, as such, Rebel is not required to obtain shareholder approval for the Transaction. However, Rebel intends to hold a special meeting of shareholders to approve certain matters ancillary to the Transaction, including the Name Change (as defined herein), the Continuance (as defined herein) and the election of five new board members of Rebel ("**New Board Members**") who will replace the existing board members and be the directors of the Resulting Issuer upon the closing of the Transaction. The proposed New Board Members are expected to be Kerem Usenmez, Agah Levent Okay, Stephen Jakob, Priya Patil and John Ryan.

### **Conditions to the Transaction**

Prior to the completion of the Transaction:

- Spektra will complete a private placement financing (the "**Offering**") for minimum gross proceeds of not less than C\$6 million. The Offering will be comprised of up to 30,000,000 subscription receipts of Spektra ("**Subscription Receipts**") to be issued at a price of C\$0.20 per Subscription Receipt.
- Completion by Rebel of a due diligence review of Spektra, the results of which are satisfactory to Rebel.
- Rebel will effect a name change (the "**Name Change**") pursuant to which Rebel will change its name to "Spektra Drilling Inc." or such other name as Spektra may direct in writing.
- Rebel will continue (the "**Continuance**") as a corporation governed under the laws of the Province of Ontario.
- Spektra will complete a split (the "**Share Split**") of the outstanding common shares in the capital of Spektra (the "**Spektra Shares**") on a 1:3.49 basis, subject to certain adjustments.
- All requisite regulatory approvals relating to the Transaction, including, without limitation, TSXV approval, will have been obtained.

### **The Offering**

As a condition to the closing of the Transaction, Spektra shall complete a private placement financing of Subscription Receipts to be issued at a price of C\$0.20 per Subscription Receipt for gross proceeds of no less than C\$6,000,000. Eight Capital (the "**Agent**") has been engaged to act as the lead agent in connection with the Offering. The gross proceeds of the Offering, less certain deductions to be agreed upon, will be held in escrow pending satisfaction of all the escrow release conditions, including the waiver or satisfaction of all conditions precedent to completion of the Transaction, receipt of all regulatory and third party approvals, and no material adverse effect occurring in relation to Spektra or Rebel (the "**Escrow Release Conditions**").

Upon satisfaction of all of the Escrow Release Conditions, each Subscription Receipt issued pursuant to the Offering will be exchanged for one unit of Spektra (a "**Unit**") for no additional consideration, with each Unit being comprised of one Spektra Share and one common share purchase warrant of Spektra (each, a "**Spektra Warrant**"). Each Spektra Warrant shall be exercisable for one Spektra Share at a price of C\$0.30 for a period of 60 months commencing upon the satisfaction of all of the Escrow Release Conditions.

Upon closing of the Transaction, the Spektra Shares underlying the Subscription Receipts will be exchanged for Resulting Issuer Shares and the Spektra Warrants will be exchanged for warrants exercisable for Resulting Issuer Shares on equivalent terms after having given effect to the Transaction.

In connection with the Offering, the Agent will be paid a cash commission equal to 7% of the gross proceeds of the Offering and will receive broker warrants (the "**Spektra Compensation Options**") entitling the Agent to subscribe for the number of Units as is equal to 7% of the aggregate number of Subscription Receipts sold pursuant to the Offering. Each Spektra Compensation Option shall be exercisable into Units at a price of C\$0.20 for a period of 36 months commencing upon the satisfaction of all of the Escrow Release Conditions.

It is expected that the proceeds of the Offering will be used for corporate development, working capital, and payment of liabilities.

### **Proposed Management and Directors of the Resulting Issuer**

Subject to TSXV approval, on completion of the Transaction, it is currently anticipated that the board of directors of the Resulting Issuer will consist of the following five directors and the management of the Resulting Issuer will consist of Kerem Usenmez and Mario Miranda.

#### *Kerem Usenmez, Chief Executive Officer and Director*

Mr. Usenmez has over 18 years of technical, management and business experiences with drilling, mining and consulting companies. He holds a Masters in Engineering Geology & Geotechnical Studies, a Bachelors of Geological Engineering from Dokuz Eylul University, in addition to studying Modular M.Sc. in Applied Geophysics from Laurentian University, and is a Licensed Engineer in Manitoba and Ontario. He has worked in projects in Turkey, Uruguay, Guyana, Chile, Peru, Mexico, Sudan, Manitoba, Ontario, Quebec, Northern Labrador, New Brunswick and Newfoundland.

#### *Mario Miranda, Chief Financial Officer and Corporate Secretary*

Mr. Miranda has over 20 years of experiences in financial planning, M&A and financing for public companies. He holds the CPA, CA designation, a Bachelor in Economics from Concordia, Masters in Public Accounting from McGill, and a Masters in Finance from Queen's University. Previously Mr. Miranda worked with Kinross, Pacific Stratus Energy, Coalcorp Mining, Lake Shore Gold, International Nickel, Alexandria, and Alturas Mining, and he is the current CFO of Alexandria Minerals Corp. and Alturas Minerals Corp.

#### *Agah Levent Okay, Director*

Mr. Okay is the founder of Spektra Jeotek A.S. (the parent company of Spektra) and has over 35 years of experience in the drilling industry, managing operations, drill companies, and geotechnical studies. Mr. Okay holds a B.Sc. in Geological Engineering from METU in Turkey, and previously worked as General Manager for Tekar Drilling before founding Spektra Jeotek A.S. in 1985.

#### *Stephen Jakob, Director*

Mr. Jakob is a founder of Osprey Capital Partners and Former Partner at Gordon Capital, with experience in investment banking. He is a former board member of West Red Lake Gold. He holds an HBA from the Ivey School of Business, and has taught business and management classes at University of Western Ontario.

#### *Priya Patil, Director*

Ms. Patil has over 20 years of senior executive leadership experience in building, leading, operating and streamlining financial service businesses relating to public capital markets and private institutional financing as an investment banker and finance attorney. She was most recently the Head of Global Diversified Industries at the Toronto Stock Exchange. In this role, she primarily advised corporate boards and management teams as well as pension funds, sovereign wealth funds, and private equity funds on IPO strategies for their investee companies. Prior to joining the TSX, she was a founding partner and managing director at PI Financial (Eastern Canada) where she established and led the eastern Canadian expansion and as the Managing Director and Head of Investment Banking at Loewen, Ondaatje, McCutcheon Limited.

John Ryan, *Director*

John A. Ryan CPA, CGA has over 35 years of corporate and financial management experience. Mr. Ryan is President of Spruce Ridge Resources Ltd. and CFO of Jourdan Resources Corp. and Sokoman Iron Corp. He also serves as a Director of other public and private companies.

### **Sponsorship**

Sponsorship of a qualifying transaction of a capital pool company is required by the TSXV unless exempt in accordance with TSXV policies. The parties will be seeking a waiver of any requirement for a sponsor, but in the event a waiver is not available, the parties will update the markets accordingly.

### **About Spektra**

Spektra was incorporated under the laws of Canada on October 11, 2011. Spektra Jeotek A.S., a corporation incorporated under the laws of Turkey is currently the sole shareholder of Spektra and, after giving effect to the Offering, is expected to be the only shareholder holding more than 10% of the outstanding Resulting Issuer Shares.

Spektra is one of the leading drilling services companies primarily providing diamond drilling services to the mining industry. The Company maintains its operations and offices in Ontario, Quebec, New Brunswick, Mexico and Peru. It also has operations and offices through its parent affiliate in Europe, Africa, and West Asia. Spektra provides surface and underground coring, directional, reverse circulation, and geotechnical drilling services. Headquartered in Toronto, Spektra has operational offices in Val d'Or, Quebec; Reno, Nevada; Hermosillo, Sonora, Mexico; Santiago, Chile; and Lima, Peru.

The table below sets out certain selected unaudited financial information regarding Spektra for the year ended December 31, 2017. The selected information was prepared in accordance with International Financial Reporting Standards. All figures are in Canadian dollars.

<b>Balance Sheet</b>	<b>As at December 31, 2017 (unaudited)</b>
Current Assets	\$10,758,843
Non-Current Assets	\$14,345,738
<b>Total Assets</b>	<b>\$25,104,581</b>
Current Liabilities	\$2,428,219
Non-Current Liabilities	\$10,144,377
<b>Total Liabilities</b>	<b>\$12,572,596</b>
Shareholders' Equity	\$12,531,985
<b>Total Liabilities and Equity</b>	<b>\$25,104,581</b>

<b>Statement of Comprehensive Income</b>	<b>For the year ended December 31, 2017 (unaudited)</b>
Sales	\$13,272,968
Gross Profit	\$3,660,339
Net Profit/(Loss)	\$1,569,641

### **About Rebel**

Rebel is incorporated under the provisions of the *Business Corporations Act* (British Columbia) with its registered and head office in Vancouver, British Columbia. Rebel is a "reporting issuer" in the provinces of Ontario, British Columbia and Alberta. The Rebel Shares are listed for trading on the TSXV under the symbol "RBL.P".

## **General**

All information contained in this news release with respect to Rebel and Spektra 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.

Rebel will issue additional press releases related to the Transaction, officers and directors of the Resulting Issuer and other material information as it becomes available. For further information regarding the Transaction, please contact:

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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.

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

## **Disclaimer for Forward-Looking Information**

This press release contains forward-looking statements and forward-looking information that are based on the beliefs of management and reflect Rebel's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to the business plans, operations and affairs of Rebel, the Offering, the Transaction (including TSXV approval, approval of the Name Change and the Continuance by Rebel shareholders and approval of the Share Split by the Spektra shareholders) and the board of directors and management of the Resulting Issuer upon completion of the Transaction. Such statements and information reflect the current view of Rebel. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such factors include, among others, the following risks: there is no assurance that the Offering will be completed or as to the actual proceeds to be raised in connection with the Offering or as to the offering price to be realized, and in particular, the amount raised may be significantly less than the amounts indicated if investors are not prepared to invest; post-closing of the Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations and such financing may not be available when the Resulting Issuer needs it; new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; the stock markets have experienced volatility that

often has been unrelated to the performance of companies, and these fluctuations may adversely affect the price of shares in the capital of the Resulting Issuer, regardless of its operating performance; there is no assurance that Spektra shareholders will approve the Share Split or that the TSXV will approve the Transaction. Further, approval of the TSXV may be conditional upon amendments to the Agreement.

There are a number of important factors that could cause Rebel's and the Resulting Issuer's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: currency fluctuations; limited business history of Rebel; disruptions or changes in the credit or security markets; results of operation activities and development of expansion facilities; facility expansion cost overruns or unanticipated costs and expenses; fluctuations in the Resulting Issuer's product prices, and general market and industry conditions.

Rebel cautions that the foregoing list of material factors is not exhaustive. When relying on Rebel's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Rebel has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

The forward-looking statements contained in this news release are made as of the date of this news release and Rebel will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.