Coloured Ties Provides Supplemental Disclosure Relating to Its Substantial Issuer Bid

Vancouver, British Columbia--(Newsfile Corp. - December 23, 2022) - Coloured Ties Capital Inc. (TSXV: TIE) ("**CTI**" or the "**Company**") announces that further to the Ontario Securities Commission's request to provide supplemental disclosure concerning the background of the Company's substantial issuer bid (the "**SIB**").

On October 18, 2022, the Company announced the SIB and proposed to purchase for cancellation up to 7,500,000 of its issued and outstanding common shares (the "**Shares**") at a purchase price of $0.45 per Share (the "**Offer Price**") in cash. Prior to the announcement of the SIB, the closing price of the Shares on the TSX Venture Exchange ("**TSX-V**") was $0.30. At the time of the announcement of the SIB, the Offer Price was at a 50% premium to the last closing price of the Shares on the TSX-V.

Prior to the announcement of the SIB, the Company determined that it was unable to rely on the liquidity exemption provided in section 3.4(b) of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as the aggregate value of the trades in the Shares on the TSX-V was not at least $15,000,000. Accordingly, a liquid market did not exist at the time of determination and the Company does not expect a liquid market to exist following the completion of the SIB. The Company confirms that following the completion of the SIB, the Company will continue to meet the continued listing requirements of the TSX-V, including the public distribution and market capitalization requirements.

On or around October 18, 2022, the Company engaged Evans & Evans Inc. ("**Evans & Evans**") to provide a valuation report as required pursuant to section 3.3(1) of MI 61-101. On November 24, 2022, the Company received a preliminary valuation report from Evans & Evans which contains Evans & Evans's opinion that, based on the scope of their review and subject to the restrictions, definitions and assumptions noted therein, the fair market value of the Shares at October 31, 2022 was in the range of $0.68 to $0.72. On or around November 25, 2022, the Company determined that to maximize the number of Shares that can be purchased under the SIB and considering the funds that have been set aside for the SIB, being $3,375,000, it was best to revise the offer from a fixed price of $0.45 to a "modified Dutch Auction" procedure with a price range of $0.55 to $0.65 (the "**Amended Offer Price**").

Considering the opinion provided in the Valuation Report, the closing price of the Shares on the TSX-V was $0.50 on November 25, 2022, and the fact that shareholders who tender their Shares pursuant to the SIB will receive immediate cash, Company determined that the Amended Offer Price was a fair price to the shareholders. Accordingly, the Company announced the change in the offer procedure and the Amended Offer Price on November 28, 2022.

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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.