

Halmont Properties Corporation Closes C\$50,000,000 Non-Brokered Private Placement

TORONTO, Dec. 31, 2024 -- Halmont Properties Corporation (TSX-V: HMT) (“**Halmont**” or the “**Corporation**”) is pleased to announce that it has closed a non-brokered private placement offering (the “**Offering**”) for gross proceeds of C\$50,000,000. The Offering consisted of 50,000,000 series II convertible preferred shares of the Corporation (the “**Series II Convertible Preferred Shares**”) at a price of C\$1.00 per Series II Convertible Preferred Share. Each Series II Convertible Preferred Share entitles the holder thereof to a 5.0% annual dividend, payable as and when declared by the board of directors of the Corporation.

Each Series II Convertible Preferred Share is convertible at the option of the holder thereof into one (1) subordinate voting share of the Corporation (each, a “**Subordinate Voting Share**”) at a price of C\$1.00 per Subordinate Voting Share on or before December 31, 2034 (the “**Final Voluntary Conversion Date**”). Each Series II Convertible Preferred Share shall automatically convert into one (1) Subordinate Voting Share at the conversion price of C\$1.00 per Subordinate Voting Share upon the date when the closing price of the multiple voting shares of the Corporation exceeds C\$1.50 for twenty (20) consecutive trading days. Following the Final Voluntary Conversion Date, the Corporation shall have the right to redeem any outstanding Series II Convertible Preferred Share at any time by payment in cash of C\$1.00 per Series II Convertible Preferred Share plus all accrued and unpaid dividends. No commission or finder’s fee was paid in relation to the Offering.

The gross proceeds from the Offering will be used to further increase Halmont’s investment in the real estate and forest sectors and will also be used to pay existing debt obligations, thereby strengthening Halmont’s balance sheet and enhancing financial flexibility. The Offering was made by way of private placement in Canada. All securities issued under the Offering are subject to a hold period in Canada expiring four months and one day from the closing date of the Offering and the resale rules of applicable securities legislation. Halmont has received final acceptance from the TSX Venture Exchange for the Offering.

Subscriptions by insiders of the Corporation accounted for approximately C\$15,000,000 of the gross proceeds of the Offering. The purchase of securities by certain insiders of the Corporation constitutes a “related party transaction” within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Corporation has relied on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a), 5.5(b) and 5.7(1)(a) of MI 61-101 in respect of such insider participation, as the Corporation is not listed on a specified market and the fair market value of the participation in the Offering by insiders does not exceed 25% of the market capitalization of the Corporation in accordance with MI 61-101. The Corporation did not file a material change report more than 21 days before the closing of the Offering because the details of the insider participation were not finalized until closer to the closing and the Corporation wished to close the Offering as soon as practicable for sound business reasons.

The Series II Convertible Preferred Shares have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. 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 State in which such offer, solicitation or sale would be unlawful.

About Halmont Properties Corporation

Halmont Properties Corporation invests directly in real estate and securities of companies holding property, energy and infrastructure assets.

For more information about the Company, visit www.halmontproperties.ca

Or contact:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Information

This news release includes certain forward-looking statements including management’s assessment of the Corporation’s future plans and operations based on current views and expectations. All statements other than statements of historic facts are forward-looking statements. These statements contain substantial known and unknown risks and uncertainties, some of which are beyond the Corporation’s control. The Corporation’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements. Readers should not place undue reliance on these forward-looking statements which represent estimates and assumptions only as of the date on which such statements are made. The Corporation undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise. Additional risks and uncertainties regarding the Corporation are described in its publicly available disclosure documents, filed by the Corporation on SEDAR+ (www.sedarplus.ca) except as updated herein.

For additional information:

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