

1290451 BC Ltd. Announces Proposed Reverse Takeover by Clip Money Inc.

VANCOUVER, British Columbia, August 6, 2021 - 1290451 BC Ltd. (the “**Company**”) announced that on August 6, 2021, it entered into a letter agreement (the “**Letter Agreement**”) with Clip Money Inc. (“**Clip Money**”). The Letter Agreement outlines the proposed terms and conditions pursuant to which the Company and Clip Money will effect a business combination that will result in a reverse takeover of the Company by the securityholders of Clip Money (the “**Proposed Transaction**”). The Letter Agreement was negotiated at arm's length.

Transaction Details

The Proposed Transaction is currently anticipated to be structured as an amalgamation whereby a subsidiary of the Company and Clip Money will amalgamate pursuant to the laws of Canada, the result of which will be that each common share of Clip Money will be exchanged for one common share (the “**Resulting Issuer Shares**”) of the resulting issuer (the “**Resulting Issuer**”). The final structure for the Proposed Transaction is subject to satisfactory tax, corporate and securities law advice for both the Company and Clip Money.

Completion of the Proposed Transaction is subject to a number of conditions, which include, among others, receipt of all necessary third party consents and regulatory approvals, and conditional approval of the listing of the Resulting Issuer Shares on the TSXV Venture Exchange.

In connection with the Proposed Transaction, the Company will be required to, among other things: (i) change its name to Clip Money Inc. or such other name acceptable to applicable regulatory authorities; (ii) consolidate or split its outstanding shares such that the shareholders of the Company retain an aggregate of C\$1.4 million in Resulting Issuer Shares; (iii) replace all directors and officers of the Company on closing of the Proposed Transaction with nominees of Clip Money; and (iv) if deemed necessary by Clip Money, adopt a new option plan for the Resulting Issuer.

Further details of the Proposed Transaction and the business and operations of Clip Money (including applicable financial statements) will be included in subsequent news releases and other public filings.

Clip Money Financings

Clip Money intends to complete a non-brokered private placement financing of convertible notes (the “**Convertible Note Financing**”) for gross proceeds of up to \$3,000,000 prior to August 30, 2021 (the “**Convertible Notes**”). The Convertible Notes will convert into common shares of Clip Money at a price equal to an effective 20% discount to the Concurrent Financing (as defined below) pricing, accrue interest at 8% per annum (payable at maturity or converted into common shares of Clip Money at the conversion price), convert immediately prior to closing of the Proposed Transaction and otherwise with a minimum term of one year and on terms and conditions satisfactory to Clip Money.

In addition, prior to or concurrent with the closing of the Proposed Transaction, Clip Money intends to complete a brokered private placement offering of common shares for aggregate gross proceeds of not less than \$8,000,000 (the “**Concurrent Financing**”, and together with the

“Convertible Note Financing, the “**Financings**”).

On Behalf of the Board of Directors of 1290451 BC Ltd.

Michael Lerner
Director

For more information please contact:

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About Clip Money

Clip Money Inc., improves the business banking experience for small business customers through transformational digital services. Clip increases access and lowers fees for all parts of the business banking ecosystem ensuring everyone can take advantage of Clip’s network scale and efficiency. The company is led by fintech and IT technology entrepreneurs, Joe Arrage and Daren Trousdell, and a team of industry product and IT technology experts.

All information contained in this news release with respect to Clip Money was supplied by Clip Money for inclusion herein and the Company has relied on the accuracy of such information without independent verification.

As noted above, completion of the Proposed Transaction is subject to a number of conditions. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement of Clip Money to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has in any way passed upon the merits of the Proposed Transaction nor accepts responsibility for the adequacy or accuracy of this news release.

*This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities under the Financings 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 U.S.*

Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Cautionary Note Regarding Forward Looking Information

This press release contains statements that constitute “forward-looking information” (“**forward-looking information**”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking information and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur to be achieved) are not statements of historical fact and may be forward-looking information.

More particularly and without limitation, this press release contains forward-looking statements concerning the Proposed Transaction and the Financings. In disclosing the forward-looking information contained in this press release, the Company has made certain assumptions, including that: the Financings will be launched and completed on acceptable terms; all applicable third party consents and regulatory approvals for the Proposed Transaction will be received; and that the Proposed Transaction will be completed on mutually acceptable terms and within a customary timeframe for transactions of this nature. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that the expectations of any forward-looking information will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: availability of financing; delay or failure to receive third party consents or regulatory approvals; and general business, economic, competitive, political and social uncertainties. There can be no certainty that the Proposed Transaction will be completed on the terms set out in the Letter Agreement or at all. Accordingly, reader should not place undue reliance on the forward-looking information contained in this press release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking information to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking information or otherwise.