

Leonovus Provides Business Update on Precious Metals Exchange Development

OTTAWA, ON, Jan. 8, 2026 /CNW/ - Leonovus Inc. (TSXV: LTV) ("Leonovus" or the "Company") is pleased to provide a business update regarding the development of its institutional-grade precious metals exchange.

A Modern Marketplace for Real-World Assets - Leveraging its long-standing expertise in secure data management and blockchain technology, Leonovus is nearing the completion of a digital precious metals exchange (the "Exchange"). The platform is expected to utilize a permissioned blockchain ledger to facilitate the trading and settlement of physical assets. The platform and its components remain subject to regulatory approvals (as described below).

Crucially, each digital token on the platform represents a one-for-one ownership of physical gold or silver ounces, held securely in regulated Canadian custodian vaults. This structure ensures that every transaction is backed by allocated, insured bullion, providing users with a transparent and immutable record of their holdings.

Advanced Technology and Liquidity - The Exchange features a high-performance transaction engine designed for rapid settlement. To ensure continuous market depth, the platform is expected to include a user-funded Automated Market Maker (AMM) liquidity pool. This allows for constant pricing and liquidity without the Company acting as a counterparty, maintaining a neutral and auditable marketplace.

Strategic Pivot and Project Independence - On December 3, 2025 Leonovus terminated the share purchase agreement with Wellfield Technologies Inc. regarding the proposed acquisition of Tradewind Markets Inc.. As development by Leonovus of its exchange platform is now substantially complete, the Company determined that the acquisition of Tradewind was no longer strategic to the platform's launch.

"Our independence allows us to focus exclusively on the partnerships and regulatory approvals required for a successful launch," said Michael Gaffney, Chair and CEO. "We are applying years of experience in quantum-secure storage and distributed trust models to an asset class where integrity is paramount."

Next Steps - The Company is currently engaged in advanced discussions with several strategic partners regarding inventory, liquidity, and final operational components. Leonovus plans to complete necessary financing and proceed with final system testing throughout the winter. Commercial launch is subject to the completion of these milestones and receipt of required regulatory approvals (see "Regulatory Considerations" below).

Additional Corporate Updates

Trading of the Leonovus Shares – Trading of the common shares of Leonovus on the TSX Venture Exchange was halted in accordance with TSXV policies in conjunction with Leonovus' proposed transaction with Tradewind. As the Tradewind transaction did not proceed, Leonovus is working to fulfil the conditions of the TSXV in order to obtain lifting of the trading halt in the near future.

Loan Agreement Amendment – As previously announced on February 3, 2023, January 31, 2024 and August 6, 2024, the Company has a loan agreement (the "Loan") with two directors of Leonovus that had a maturity date of August 3, 2025. During the third quarter of 2025, the Company amended the Loan to extend the maturity date on the Loan and the expiry date of the warrants issued to the

lenders as consideration for the Loan, to August 3, 2026. The amendment is subject to approval by the TSX Venture Exchange. See "Insider Participation in Loans" below.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) has approved nor disapproved the contents of this news release, nor do they accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws ("forward-looking information"). Forward-looking information includes, but is not limited to, statements with respect to: TSXV approval for loan and related warrant term extensions, the expected development, integration and launch of the Company's planned precious metals exchange platform; the anticipated features and functionality of the platform, including tokenization, custody tracking and customer-to-customer trading of allocated precious metals; the Company's expectation that it will announce financing to support its future business initiatives within the near future; the intended use of proceeds of any such financing; and the receipt of required approvals, including applicable regulatory approvals for the precious metals exchange platform.

Forward-looking information is based on management's current expectations and assumptions, including assumptions regarding market conditions, the availability of financing on acceptable terms, the ability of the parties to work collaboratively, the development of the platform and integration progressing as anticipated, and the Company's ability to obtain required approvals.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the risk that development timelines may change, that required approvals for the platform may not be obtained on a timely basis or at all, that financing may not be available on acceptable terms or at all, the anticipated ability to achieve sufficiently high levels of transaction volumes; uncertainty in the market for blockchain technologies; the continued development of a stable public internet infrastructure; the development of a market for the resulting Issuer's products; the implementation of Leonovus' updated business plan; failure to protect intellectual property; limited operating history; competition in the blockchain technology industry; the ability to obtain additional financing; risks related to doing business internationally; risks related to doing business in regions with high levels of business corruption and other criminal activity; risks related to cybersecurity threats; and general business, financial market, economic, competitive, political and social uncertainties. Readers are cautioned not to place undue reliance on forward-looking information. Leonovus does not undertake to update any forward-looking information, except as required by applicable law.

Regulatory Considerations

The proposed precious metals trading platform is a new technology that operates in a regulatory environment for blockchain and other digital assets that continues to evolve over time. To launch the platform with the anticipated features fully enabled, Leonovus anticipates that it will require registrations and/or exemptive relief from applicable securities legislation that may be applicable to the features of the precious metals exchange platform.

These anticipated features of the platform, namely, a peer-to-peer trading feature, have not yet been approved by Canadian securities regulators and are subject to regulatory approval by applicable Canadian securities regulators prior to their implementation and availability.

There is no assurance that Leonovus will be able to obtain any necessary registrations and/or exemptions from applicable securities legislation, and under any other applicable laws, on terms that are satisfactory to Leonovus (or the timing thereof) for approval of the proposed precious metals trading platform. Any failure to obtain such regulatory approvals could have a material adverse effect

on the growth prospects of Leonovus' business.

Insider Participation in Loans

As the lenders under the Loan are members of the board of directors of Leonovus (the "Insiders"), the amendment to the loan agreement to extend the maturity date and the expiry date of the warrants constitutes a "related party transaction" under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Leonovus has relied on the exemption under 5.5 (b) of MI 61-101 for the requirement to obtain a formal valuation for the Warrants issuable to the Insiders, and the exemption under Section 5.7(1)(a) of MI 61-101 for the requirement to obtain minority approval as the total value of the loan, and the value of the warrants, are not equal to or greater than 25% of the market capitalization of the Company, whether considered separately or together.

SOURCE LeoNovus Inc.

View original content: <http://www.newswire.ca/en/releases/archive/January2026/08/c5339.html>

%SEDAR: 00028115E

For further information: Michael Gaffney, Chair and CEO, mgaffney@leonovus.com

CO: LeoNovus Inc.

CNW 14:47e 08-JAN-26