

**Hope Well Enters into Definitive Agreement with
Payfare Inc. and Payfare Closes \$5.1 Million
Subscription Receipts Financing**

FOR IMMEDIATE RELEASE

NOT FOR DISTRIBUTION IN THE U.S. OR OVER U.S. NEWSWIRES

Toronto, ON – August 2, 2018 – Hope Well Capital Corp. ("**Hope Well**") (TSX VENTURE: HOPE.P), a capital pool company, is pleased to announce that it and its wholly owned subsidiary have entered into an amalgamation agreement dated July 27, 2018 (the "**Definitive Agreement**") with Payfare Inc. ("**Payfare**"), to provide for the completion of a business combination with Hope Well (the "**Transaction**"), as more particularly described below. The proposed Transaction and the Offering (as defined below) were initially announced in a Hope Well press release dated November 20, 2017, indicating that Hope Well and Payfare had entered into a letter of intent in respect of the Transaction.

In connection with the Transaction, Payfare completed, on July 27, 2018, a private placement (the "**Offering**") of 7,850,878 subscription receipts (the "**Subscription Receipts**") for gross proceeds of approximately \$5.10 million through a combination of a brokered Offering (the "**Brokered Offering**") led by Mackie Research Capital Corporation ("**Mackie**") and a non-brokered Offering (the "**Non-Brokered Offering**").

Payfare's Chairman Chris Seip commented, "This is another milestone for Payfare and an endorsement of our potential. Payfare's proven in-market and rapidly expanding solution is revolutionizing the way people get paid."

The Transaction is subject to a number of terms and conditions as set forth in the Definitive Agreement, including (among other things) the approval of the TSX Venture Exchange (the "**TSXV**"). If completed, the Transaction will constitute Hope Well's "Qualifying Transaction" (as such term is defined in TSXV Policy 2.4 – *Capital Pool Companies*).

About Payfare

Payfare is a Toronto based fintech startup providing mobile banking and instant payment solutions for today's workforce. Payfare's technology and partnership with Mastercard is driving financial inclusion and empowerment to millions of next-generation workers around the globe by providing a full service mobile bank account with instant access to their earnings.

Payfare was incorporated under the *Business Corporations Act* (Ontario) on June 15, 2012. The company is headquartered in Toronto, Ontario, with its head office located at 67 Mowat Avenue, Suite 402, Toronto, Ontario M6K 3E3. Payfare also has wholly-owned operating divisions in the United States, the United Kingdom and Mexico.

Based on the Definitive Agreement, Payfare currently has 112,735,984 common shares issued and outstanding (collectively, the "**Payfare Shares**"). Payfare also has outstanding 6,860,694 restricted share units, 15,174,479 options, 18,917,874 warrants, convertible debt to acquire 1,666,667 Payfare Shares, and a commitment to issue 1,538,462 Payfare Shares to a finder, with all such

convertible securities to acquire an aggregate of 44,158,176 Payfare Shares. Payfare currently does not have any principal shareholder holding more than 10% of its issued and outstanding shares. Payfare's co-founders, Keith McKenzie and Ryan Deslippe, are both residents of Ontario.

Based on audited financial statements prepared in accordance with Canadian generally accepted accounting principles, for the fiscal years ended December 31, 2017 and 2016, Payfare's gross sales were C\$1,160,620 and \$23,929, respectively, and Payfare's comprehensive loss was C\$11,130,646 and C\$4,563,356, respectively. As at December 31, 2017, Payfare had assets of C\$8,230,044, liabilities of C\$8,338,636 and shareholders' deficit of C\$108,592.

The Qualifying Transaction

Pursuant to the Transaction, Hope Well and Payfare will complete a "three-cornered" amalgamation under the provisions of the *Business Corporation Act* (Ontario), pursuant to which Payfare will amalgamate with a wholly-owned subsidiary of Hope Well (the "**Amalgamation**").

Immediately prior to the closing of the Amalgamation, Hope Well will complete a consolidation (the "**Consolidation**") of the common shares of Hope Well on the basis of 1.580113 pre-Consolidation shares for one (1) post-Consolidation share. The Consolidation reflects a deemed Transaction value of \$0.41 per Hope Well common share on a pre-Consolidation basis. Upon closing of the Amalgamation, Hope Well will also change its name to "Payfare Corp." or such other name approved by Hope Well and Payfare and acceptable to the applicable regulatory authorities (the "**Name Change**").

Pursuant to the Amalgamation, the outstanding Payfare Shares will be exchanged for post-Consolidation common shares of Hope Well on a 1:1 basis, resulting in the existing holders of Payfare Shares (including investors under the Offering) becoming holders of post-Consolidation common shares of Hope Well post-Transaction. Subject to TSXV approval, the outstanding convertible securities of Payfare will be exchanged pursuant to the Amalgamation for comparable securities of Hope Well having substantially the same terms and conditions (and, for greater certainty, being economically equivalent to the exchanged convertible securities of Payfare). The amalgamated entity will be a wholly-owned subsidiary of Hope Well post-Transaction and Hope Well on a post-Transaction basis will be the "**Resulting Issuer**".

Based on the Definitive Agreement, a total of 122,801,807 Resulting Issuer common shares ("**Resulting Issuer Shares**") will be issued to existing Payfare shareholders, the holders of Payfare restrictive share units, the Payfare finder and Payfare convertible debt holder (collectively, the "**Payfare Shareholders**"), all at a deemed issue price of \$0.65 per share. Resulting Issuer convertible securities to acquire a total of 34,092,353 post-Consolidation shares will be issued to replace the outstanding Payfare options and warrants. In addition, all Subscription Receipts issued in the Offering will be converted into Payfare Units (as defined below), which will be replaced by Resulting Issuer Shares and Resulting Issuer warrants on closing of the Transaction.

The material conditions required to be fulfilled by the parties prior to completion of the Transaction include the following: (i) the entering into of the Definitive Agreement and other agreements necessary in connection with the Transaction; (ii) receipt of all required approvals, including TSXV approval, the approval of the shareholders of Payfare in respect of the

Transaction and related matters, and all necessary consents of lenders and other third parties; (iii) completion of the Consolidation and the Name Change; (iv) upon completion of the Transaction, the Resulting Issuer meeting the applicable minimum listing requirements as a technology issuer, including, without limitation, the public float requirements of the TSXV; (v) immediately prior to the closing of the Transaction, each of the parties required by the TSXV shall have entered into an escrow agreement upon the terms and conditions imposed pursuant to the policies of the TSXV; and (vi) certain other customary conditions for a transaction of this nature.

It is intended that the Resulting Issuer will be listed as a technology issuer. The parties will be seeking an exemption from the requirement for sponsorship of the Transaction, but in the event an exemption is not available, will seek a sponsorship relationship for this Transaction with Mackie, and will update the markets accordingly.

The Transaction will constitute an arm's-length transaction, and as such, the Transaction will not require approval by the shareholders of Hope Well. However, Hope Well held a shareholders' meeting on June 28, 2018 and received shareholder approval for, among other things, the Consolidation and the Name Change. Hope Well intends to prepare and submit a filing statement in connection with the Transaction in due course.

Private Placement

Payfare closed the Offering of 7,850,878 Subscription Receipts for aggregate gross proceeds of approximately \$5.10 million on July 27, 2018. Approximately \$2.01 million of the Subscription Receipts was sold in the Brokered Offering pursuant to an agency agreement dated July 27, 2018 (the "**Agency Agreement**") with a syndicate led by Mackie and including Haywood Securities Inc. and Canaccord Genuity Corp. (collectively, the "**Agents**"). The Agency Agreement provides for a minimum of \$5 million and a maximum of \$12 million of gross proceeds of the Offering, from both the Brokered Offering and the Non-Brokered Offering, at an issue price of \$0.65 per Subscription Receipt, subject to an option of the Agents to purchase up to an additional 2,769,230 Subscription Receipts at the same issue price. Approximately \$3.09 million of the Subscription Receipts were sold in the Non-Brokered Offering by Payfare.

Each Subscription Receipt will entitle the holder thereof to one unit of Payfare (a "**Payfare Unit**") upon the satisfaction of certain escrow release conditions (the "**Release Conditions**"), as discussed below, which must be satisfied within 120 days following the closing of the Offering (the "**Deadline**"). Each Payfare Unit will be comprised of one Payfare Share and one warrant to acquire one Payfare Share (a "**Payfare Warrant**"), with each Payfare Warrant exercisable for a period of 24 months from the Transaction closing date at an exercise price of \$1.25 per share. The expiry date of the Payfare Warrants may be accelerated by the Resulting Issuer at any time following the six-month anniversary of the Transaction closing date and prior to the expiry date of the Payfare Warrants, if the volume-weighted average trading price of the Resulting Issuer Shares is greater than \$1.65 for any 20 consecutive trading days. The gross proceeds of the Offering (other than the Agents' expenses, a \$65,000 advisory fee payable to Mackie and 50% of the Agents' commission) are held in escrow until the Release Conditions have been satisfied.

In connection with the Transaction, the Payfare Shares issued pursuant to conversion of the Subscription Receipts will be converted into an equivalent number of Resulting Issuer Shares on a post-Consolidation basis. Assuming the Release Conditions are satisfied, each Subscription

Receipt will ultimately entitle the holder thereof to one Resulting Issuer Share and one warrant to purchase one Resulting Issuer Share on the same terms as the Payfare Warrants. The Release Conditions include: (i) the Definitive Agreement between Payfare and Hope Well regarding the Transaction shall have been entered into on terms acceptable to the Agents and all conditions precedent to the Amalgamation shall have occurred, (ii) the TSXV shall have conditionally approved the listing of the Resulting Issuer Shares issuable pursuant to the Transaction, (iii) the receipt of all regulatory, shareholder and third-party approvals, if any, required in connection with the Amalgamation, (iv) Payfare shall have raised a minimum of \$5 million gross proceeds in the Offering, and (v) Payfare and Hope Well shall not be in breach of any conditions of the subscription receipt agreement relating to the Subscription Receipts, and all conditions set out in the Agency Agreement and subscription receipt agreement shall have been fulfilled.

Following the completion of the Transaction assuming there is no further issuance of Subscription Receipts, the Payfare Shareholders will own approximately 90.60% of the issued and outstanding Resulting Issuer Shares, existing Hope Well shareholders will own approximately 3.61% of the issued and outstanding Resulting Issuer Shares and purchasers of Subscription Receipts will own approximately 5.79% of the issued and outstanding Resulting Issuer Shares, on a non-diluted basis.

The Agents are entitled to a cash commission in the amount of 7% of the gross proceeds raised under the Brokered Offering, 50% of which were paid to the Agents on closing of the Offering, and 50% of which are held in escrow to be released when the Release Conditions are satisfied. Mackie is entitled to an advisory fee of \$65,000 which was paid on the closing of the Offering. In addition, the Agents received compensation warrants (the "**Agents' Warrants**") in an amount equal to 7% of the number of Subscription Receipts sold pursuant to the Brokered Offering, each of which will entitle the holder to acquire one Resulting Issuer Share upon the payment of \$0.65 for a period of two years following the closing of the Transaction. The Agents' Warrants are only exercisable upon satisfaction of the Release Conditions on or before the Deadline.

Proposed Directors and Officers of the Resulting Issuer

The existing directors of Payfare are Chris Seip, Paul Haber and Keith McKenzie. The current officers of Payfare are Brian Miller, Chief Operating Officer and Chief Information Officer, and Fareed Sheik, Chief Financial Officer.

Set forth below is information on each individual that is currently anticipated to be a director or officer of the Resulting Issuer upon closing of the Transaction.

Chris Seip (Director and Chairman) – In 2016, Mr. Seip retired as Global Chief Operating Officer and Head of Investor and Treasury Market Services for RBC, Canada's largest bank as measured by assets and market capitalization, and among the largest banks in the world, based on market capitalization. From 2012, Mr. Seip oversaw the global management of deposit-taking, liquidity management and short-term funding as well as foreign exchange, securities lending and asset management (USD\$50+ billion liquidity portfolio and USD\$40+ billion of liability insurance plus USD\$100 billion of intraday liquidity for RBC). Prior to this, Chris held other senior-level positions at RBC and RBC Capital Markets over his 16+ year career with the bank. Today, Chris mentors early-stage tech companies in Canada and the UK through pre-accelerator programs in the payments, lending and health care segments. He is also actively involved in multiple charities. Mr. Seip holds a

Masters of Business Administration from McGill University, a Bachelor of Arts, Economics from the University of Western Ontario and holds a Chartered Financial Analyst designation.

Paul Haber (Director) – Mr. Haber is the Managing Director of Haber and Co. Ltd. which provides corporate finance and capital market advisory services to small and medium sized businesses. From June 2013 to June 2015, Mr. Haber served as the chief financial officer and corporate secretary of Cline Mining Corporation. Until December 2012, Mr. Haber had previously served as CFO of New Sage Energy Corp. (then TSX-V:NSG and subsequently suspended from trading), CFO of Oremex Silver Inc. and CFO of Oremex Gold Inc. He previously served as interim CFO at Migao Corporation and Silverbirch Inc. Currently, Mr. Haber was a former director of TriMetals Mining Inc. and is a current director of Chinapintza Mining Corp. (formerly Black Birch Capital Acquisition II Corp.). From 2004 through March 2007, Mr. Haber was Vice President, Chief Financial Officer and Corporate Secretary of QuStream Corporation. Mr. Haber was a director of a CPC named Penfold Capital Acquisition Corporation, a CPC called China One Corporation and a CPC named Black Birch Capital Acquisition I Corp. Each of these CPCs successfully completed a Qualifying Transaction. Mr. Haber holds an honours BA from the University of Toronto and is both a Chartered Accountant and Certified Public Accountant.

Keith McKenzie (Co-Founder and Director) – Keith McKenzie and Payfare Co-Founder Ryan Deslippe were industry pioneers as co-founders of one of Canada's leading prepaid financial services companies. They were instrumental in managing and driving the growth of the company, which became public in 2006, growing to a market cap of \$120 million within 5 years as one of the top traded stocks on the TSX Venture Exchange. The company's exponential growth to \$100 million in annual sales resulted in its being ranked four times as one of the Fastest Growing Companies in Canada by Profit 100, one of North America's Fastest-Growing Tech Companies on the Deloitte 500, as well as one of Canada's Top Technology Firms. Most notably Keith and Ryan partnered with Mastercard to launch North America's first prepaid Europay, Mastercard, Visa (EMV) government disbursement solution for the City of Toronto and Ontario Works, which received the prestigious award of Best Global Prepaid Card Program.

Bill Hong Ye (Director) – Mr. Bill Hong Ye is the Chief Executive Officer, Chief Financial Officer and a director of Hope Well. Mr. He is an experienced investment professional and an acclaimed professor in finance and economics in Toronto and China. Mr. Ye has been the CEO of Nine Fortune Assets Co. Ltd., a Toronto based investment firm, since 2011 and Chairman of VVinv Inc., another Toronto based investment firm since 2016. He was CEO of Hangzhou SeePad Communications Equipment co., Ltd., a telecommunication equipment firm based in Hangzhou, China, from 2006 to 2011. Mr. Ye has also been a visiting professor at the Victoria College of Business and Technology in Toronto for courses in investment funds, options and foreign exchange since 2013. Mr. Ye has a bachelor's degree from the Zhejiang University, China.

Brian Miller (Chief Operating Officer and Chief Information Officer) - With over 20 years' experience as a technology leader, Brian Miller has held executive positions in private and public companies spanning a range of industries that includes financial services, healthcare, and logistics. Following a technical career at IBM, Brian held leadership roles at Algorithmics, Grocery Gateway (acquired by Longo's), Indigo, Points International, and Nightingale Informatix (acquired by Telus). Brian has a Bachelor of Computer Science from the University of British Columbia and an MBA from Ivey School of Business at Western University.

Fareed Sheik (Chief Financial Officer) – Mr. Fareed Sheik is a CPA, CA and member of the Institute of Chartered Accountants of Ontario. Mr. Sheik is also a CPA from the US and also from the Indian Institute of Chartered Accountants and a certified fraud examiner. He has over 20 years of experience in Audit, Tax and Consulting engagements across different industries. He is currently the Principal at Fareed Sheik & Co CPA's, a full service accounting, assurance, tax and business consulting firm. Mr. Sheik has worked for Ernst & Young in India and Deloitte in Canada handling audit, internal controls and compliance engagements. Prior to joining Payfare Inc. Mr. Sheik has been an interim CFO at Selectcore Ltd., and Loyalist Group which are TSX Venture Exchange listed companies. Mr. Sheik's areas of expertise includes Financial Reporting, Internal Control Compliances (COSO and SOX Framework), Audit and Corporation tax.

On closing of the Transaction, Payfare will appoint a Chief Executive Officer and a Corporate Secretary acceptable to the TSXV and Hope Well. Biographies for the Chief Executive Officer and Corporate Secretary will be provided in subsequent press releases or in the filing statement in connection with the Transaction.

ABOUT HOPE WELL

Hope Well is a capital pool company (CPC) formed under the TSXV CPC program. Hope Well's common shares will remain halted until Hope Well satisfies the requirements of the TSXV for resuming the trading of the Hope Well shares or until completion of Transaction.

Completion of the Transaction is subject to a number of conditions including, but not limited to, due diligence, TSXV acceptance and if required by TSXV policies, 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 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.

All information in this press release concerning Payfare has been provided for inclusion herein by Payfare. Although Hope Well has no knowledge that would indicate that any information contained herein concerning Payfare is untrue or incomplete, Hope Well assumes no responsibility for the accuracy or completeness of any such information.

Investors are cautioned that, except as disclosed in the 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 CPC should be considered highly speculative.

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FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the proposal to complete the Transaction and associated transactions, including statements regarding the terms and conditions of the Transaction and associated transactions. Any such forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with the Transaction and associated transactions, that the ultimate terms of the Transaction and associated transactions will differ from those that currently are contemplated, and that the Transaction and associated transactions will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The statements in this news release are made as of the date of this release. Hope Well undertakes no obligation to update any such forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on any such forward-looking statements. Hope Well undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Hope Well and Payfare, or their respective financial or operating results or (as applicable), their securities.

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