

Hope Well Capital Corp. Enters into Letter of Intent for Qualifying Transaction with Loc8 Corp.

TORONTO, Ontario, February 6, 2020 /CNW/ – Hope Well Capital Corp. (TSXV: HOPE.P) ("**Hope Well**") and Loc8 Corp. ("**Loc8**") are pleased to announce that they have entered into a letter of intent (the "**LOI**") dated February 6, 2020 (the "**Effective Date**"). Pursuant to this LOI, Hope Well will acquire all of the issued and outstanding securities of Loc8, with such acquisition constituting a reverse take-over of Hope Well (the "**Transaction**"). Hope Well, a Capital Pool Company, intends that the Transaction will constitute an arm's length Qualifying Transaction (as such terms are defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange (the "**TSXV**")).

Trading in the common shares of Hope Well has been halted since May 10, 2019. Trading will remain halted until, among other things, Hope Well completes certain regulatory filings in connection with the Qualifying Transaction with the TSXV and the TSXV has completed certain matters it considers necessary or advisable.

Terms of the Transaction

Hope Well and Loc8 intend to complete the Transaction by way of a securities exchange agreement or other similar transaction, whereby Hope Well will acquire all of the securities of Loc8 to form the resulting issuer under the new name "Deepspatial AI" (the "**Resulting Issuer**"). Hope Well currently has 7,724,999 common shares issued and outstanding. Additionally, Hope Well has 772,499 options outstanding under its incentive stock option plan.

Prior to the completion of the Concurrent Financing (as hereinafter defined), Loc8 has 82,925,000 common shares issued and outstanding. Each of the common shares of Loc8, including those common shares issued pursuant to the Concurrent Financing (as defined below), will be exchanged for one common share of the Resulting Issuer.

On completion of the Transaction, all outstanding Loc8 shares (including Loc8 shares issued in the Concurrent Financing), will be exchanged for Resulting Issuer Shares at the rate of one Loc8 Share for each Resulting Issuer Share.

Upon completion of the Transaction and the minimum Concurrent Financing, the fully-diluted common shares of the Resulting Issuer shall be held as follows (excluding any broker warrants that may be issued in the Concurrent Financing): Loc8 securityholders – 83.4%; Concurrent Financing subscribers – 8.0%; existing Hope Well shareholders – 7.8%; and existing Hope Well optionholders – 0.8%.

About Loc8

Loc8 Corp. (operating as Deepspatial AI) is an artificial intelligence (AI) powered location intelligence platform which combines geospatial data with internal organizational data to provide complete enterprise solutions to drive the success of the business. Loc8 processes geospatial data and uses proprietary AI algorithms to help businesses make data driven decisions. Loc8 has developed and is developing a range of products built on advanced AI powered platforms to solve modern organizational problems.

Loc8 processes business data geospatially and creates knowledge and insights that help businesses know who their customers are (customer archetypes), inventory management, site selection, targeted marketing, predict what they need and supply it optimally. It brings geo-personalisation to any business as a service using AI. Loc8's AI platform can be integrated into retail chains, logistics firms, manufacturing supply chain companies, banks and more.

Conditions Precedent

The LOI contemplates that the following condition precedents be met prior to the closing of the Transaction: (i) receipt of all regulatory approvals with respect to the Transaction and listing of the Resulting Issuer shares on the TSXV; (ii) all third party consents necessary to complete the Transaction are obtained; (iii) no adverse material change in the business, affairs, financial condition or operations of Loc8 or Hope Well has occurred between the Effective Date and the closing date; and (iv) the Concurrent Financing (as defined

below) shall have been completed. As well, sponsorship of a Qualifying Transaction of a capital pool company is required by the TSXV unless exempt in accordance with the policies of the TSXV.

Concurrent Financing

Loc8 shall arrange for a brokered private placement financing of a minimum of \$2,000,000 and a maximum of \$3,000,000 to be completed concurrent to the Transaction (the "**Concurrent Financing**"). The Concurrent Financing shall be comprised of a minimum of 8,000,000 shares and a maximum of 12,000,000 shares of Loc8, at an issue price of \$0.25 per share.

Description of Significant Conditions to Closing

Completion of the Qualifying Transaction will be subject to satisfaction of waiver of terms and conditions, customary or otherwise, including but not limited to, satisfactory completion of due diligence, execution of a definitive agreement and all required approvals and consents, including the approval of the TSXV.

If completed, the proposed transaction is expected to constitute Hope Well's Qualifying Transaction under Policy 2.4 of the TSXV.

Completion of the Qualifying Transaction is subject to a number of conditions including but not limited to, due diligence, Exchange acceptance and if required by Exchange policies, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying 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. The TSXV has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

Additional Press Release

Hope Well plans on issuing additional press releases and updates as the definitive agreement is signed and due diligence is completed, setting out further terms of the Transaction, which shall include information about Hope Well upon closing of the Transaction, further information about Loc8 including financial information, further information about the Concurrent Financing, and further information about the Resulting Issuer including proposed management. The shares of Hope Well 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 Qualifying Transaction.

About Hope Well

Hope Well is a CPC governed by the policies of the TSXV. Hope Well's principal business is the identification and evaluation of assets or businesses with a view to complete a Qualifying Transaction. Investors are cautioned that trading in the securities of a CPC should be considered highly speculative.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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 Qualifying Transaction and associated transactions, including statements regarding the terms and conditions of the Qualifying 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 Qualifying Transaction and associated transactions, that the ultimate terms of the Qualifying Transaction and associated transactions will differ from those that currently are contemplated, and that the Qualifying 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), as well as other risks and uncertainties, including those described in Hope Well's final prospectus dated March 24, 2017 filed with the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission and available on www.sedar.com. 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 Loc8, or their respective financial or operating results or (as applicable), their securities.

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