

BLUEWATER ACQUISITION CORP. ANNOUNCES CHANGES IN ACCORDANCE WITH NEW CPC POLICY THAT BECAME EFFECTIVE ON JANUARY 1, 2021

Calgary, AB, June 24, 2021 – BLUEWATER ACQUISITION CORP. (the “**Company**”) (TSXV: **BAQ**) announces that, due to changes recently announced by the TSX Venture Exchange (the “**Exchange**”) to its Capital Pool Company program and changes to the Exchange’s Policy 2.4 – *Capital Pool Companies*, which became effective as at January 1, 2021 (the “**New CPC Policy**”), the Company intends to implement certain amendments to further align its policies with the New CPC Policy.

Pursuant to the New CPC Policy, in order for the Company to align certain of its policies with the New CPC Policy it is required to obtain the approval of disinterested shareholders of the Company. As a result, the Company obtained such approval at its special meeting of shareholders on June 22, 2021 (the “**Meeting**”), for the following matters: (i) to amend the Company’s Stock Option Plan (the “**Option Plan**”) to, among other things, become a “10% rolling” plan prior to the Company completing a Qualifying Transaction (“**QT**”); (ii) to remove the consequences of failing to complete a QT within 24 months of the Company’s date of listing on the Exchange (the “**Listing Date**”); (iii) to amend the escrow release conditions and certain other provisions of the Company’s Escrow Agreement (the “**Escrow Agreement**”) as described below; and (iv) to permit the payment of finder’s fees to Non-Arm’s Length Parties (as defined by the Exchange).

Amendments to the Option Plan

The amendments to the Option Plan, (i) allow the total number of common shares of the Company (the “**Shares**”) reserved for issuance as options not to exceed 10% of the Shares issued and outstanding as at the date of grant, rather than at the closing date of the initial public offering (“**IPO**”), for options issued prior to the QT; (ii) allow the number of Shares reserved for issuance as options to any individual director or senior officer not to exceed 5% of the Shares outstanding as at the date of grant, rather than at the closing date of the IPO, for options issued prior to the QT; (iii) allow the number of Shares reserved for issuance as option to Consultants (as defined by the Exchange), not to exceed 2% of the Shares outstanding as at the date of grant, rather than at the closing date of the IPO, for options issued prior to the QT; and (iv) require, prior to the granting of options, the optionee to first enter into an escrow agreement agreeing to deposit the options, and the Shares acquired pursuant to the exercise of such options, into escrow as described in the Escrow Agreement.

Removal of the Consequences of Failing to Complete a QT within 24 Months of the Listing Date

Under the Exchange’s former Policy 2.4 – *Capital Pool Companies* (as at June 14, 2010) (the “**Former Policy**”) there are certain consequences if a QT is not completed within 24 months of the Listing Date. These consequences include a potential for Shares to be delisted or suspended, or, subject to the approval of the majority of the Company’s shareholders, transferring Shares to list on the NEX and cancelling certain seed shares. The New CPC Policy has removed these consequences assuming disinterested shareholder approval is obtained. The Company obtained approval from disinterested shareholders to the removal of such consequences at the Meeting.

Amendments to the Escrow Agreement

The Company obtained approval of the disinterested shareholder to the Company making certain amendments to the Escrow Agreement, including allowing the Company’s escrowed securities to be subject to an 18 month escrow release schedule as detailed in the New CPC Policy, rather than the current 36 month escrow release schedule in the Former Policy. In addition, the Escrow Agreement is amended such that all options granted prior to the date the Exchange issues a final bulletin for the QT (“**Final QT Exchange Bulletin**”), and all Shares that were issued upon exercise

of such options prior to the date of the Final QT Exchange Bulletin, will be released from escrow on the date of the Final QT Exchange Bulletin, other than options that (a) were granted prior to the IPO with an exercise price that is less than the issue price of the Shares issued in the IPO and (b) any Shares that were issued pursuant to the exercise of such options, which will be released from escrow in accordance with the 18 month escrow release schedule as detailed in the New CPC Policy.

Adopting Payment of Finder's Fees to Non-Arm's Length Parties

Under the Former Policy, the Company was prohibited from paying finder's fees or commissions to Non-Arms Length Parties. The New CPC Policy permits payments of finder's fees to a Non-Arm's Length Party to the Company, notwithstanding section 3.2(a) of Policy 5.1 – Loans, Loan Bonuses, Finder's Fees and Commissions, provided that the same is done in compliance with section 7.3 of the New CPC Policy. The Company obtained approval from disinterested shareholders for payment of finder's fees provided that the same is done in compliance with section 7.3 of the New CPC Policy.

Other Changes

Under the New CPC Policy, the Company is permitted to implement certain other changes from the Former Policy without obtaining shareholder approval. As a result, the Company wishes to have the option to take advantage of all the changes under the New CPC Policy that do not require shareholder approval, which will become effective on January 1, 2021, including, but not limited to:

- (i) increasing the maximum aggregate gross proceeds to the treasury that the Company can raise from the issuance of Shares in the IPO, seed shares and private placement to the new maximum of \$10,000,000, rather than \$5,000,000, which was the limit under the Former Policy;
- (ii) removing the restriction that provided that no more than the lesser of 30% of the gross proceeds from the sale of securities issued by the Company and \$210,000 may be used for purposes other than identifying and evaluating assets or businesses and obtaining shareholder approval for a proposed QT, and implementing the restrictions on the permitted use of proceeds and prohibited payments under the New CPC Policy, under which reasonable general and administrative expenses not exceeding \$3,000 per month are permitted;
- (iii) removing the restriction on the Company issuing new agent's options in connection with a private placement; and
- (iv) removing the restriction such that now one person has the ability to act as the chief executive officer, chief financial officer and corporate secretary of the Company at the same time.

About the Company

The Company is a capital pool company pursuant to the policies of the Exchange. Except as specifically contemplated in such policies, until the completion of its QT, the Company will not carry on business, other than the identification and evaluation of companies, businesses or assets with a view to completing a proposed QT. Investors are cautioned that trading in the securities of a capital pool company is considered highly speculative.

For further information, please contact:

Mike Sapountzoglou
CEO, CFO and Director
mike@bluewateracquisition.com

The TSX Venture Exchange has neither approved nor disapproved the contents of this news release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts 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 legislation. Forward-looking information includes, but is not limited to, the approval of disinterested shareholders of matters under the New CPC Policy at the special shareholder meeting and the future business of the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “is expected”, “expects” or “does not expect”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes”, or variations of such words and phrases; or terms that state that certain actions, events, or results “may”, “could”, “would”, “might”, or “will be taken”, “could occur”, or “be achieved”. Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on, a number of assumptions and is subject to known and unknown risks, uncertainties and other factors, including but not limited to the timing of obtaining the necessary approvals of the shareholders and the Exchange. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.