

BMGB Capital Corp. Announces Proposed Changes in Accordance with New CPC Policy

Vancouver, British Columbia--(Newsfile Corp. - April 16, 2021) - **BMGB Capital Corp. (TSXV: BMGB.P)** ("BMGB" or the "Company") is pleased to announce 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 will be seeking such approval at its upcoming extraordinary general meeting of shareholders scheduled to be held on May 25, 2021 (the "**Meeting**"), for the following matters: (i) to remove the consequences of failing to complete a Qualifying Transaction ("**QT**") within 24 months of the Company's date of listing on the Exchange (the "**Listing Date**"); and (ii) to amend the escrow release conditions and certain other provisions of the Company's Escrow Agreement (the "**Escrow Agreement**"). These proposed amendments are described in further detail below.

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 were certain consequences if a QT was 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 intends to ask disinterested shareholders to approve the removal of such consequences at the Meeting, as it believes that it will afford the Company greater flexibility to complete a QT that is beneficial to all interested parties, and will also allow the Company to better withstand market volatility.

Amendments to the Escrow Agreement

The Company intends to ask disinterested shareholders to approve 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 Company wishes to amend the Escrow Agreement 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.

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, including, but not limited to:

1. 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;
2. removing the restriction which 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;
3. removing the restriction on the Company issuing new agent's options in connection with a private placement; and
4. 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.

The Company believes that the New CPC Policy is in the best interests of the shareholders as it will allow the Company to have greater flexibility and mechanisms to increase shareholder value.

About BMGB

BMGB is a capital pool company in accordance with Exchange Policy 2.4 and its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction.

For additional information, please refer to the Company's disclosure record on SEDAR (www.sedar.com) or contact the Company as follows: Lucas Birdsall, CEO, at (778) 549-6714 or lucasbirdsall@gmail.com.

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This news release contains "forward-looking information" that is based on the Company's current expectations, estimates, forecasts and projections. This forward-looking information includes, among other things, the Company's business, plans, outlook and business strategy. The words "may", "would", "could", "should", "will", "likely", "expect," "anticipate," "intend", "estimate", "plan", "forecast", "project" and "believe" or other similar words and phrases are intended to identify forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: changes in economic conditions or financial markets; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and technological or operational difficulties. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law.

Neither the 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 news release.

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