

DGTL Provides Supplemental and Corrective Disclosure in Connection with Annual General and Special Meeting of Shareholders

Toronto, Ontario--(Newsfile Corp. - July 25, 2025) - DGTL Holdings Inc. (NEX: DGTL.H) ("**DGTL**" or the "**Company**") wishes to provide supplemental and corrective disclosure to its Management Information Circular dated June 12, 2025, as amended by a supplement dated June 30, 2025 (collectively, the "**Circular**") in respect of the Company's annual general and special meeting of common and preferred shareholders to be held on July 31, 2025 (the "**Meeting**").

Capitalized terms not otherwise defined below shall have the meanings ascribed to such terms in the Circular. The Company wishes to clarify, correct and expand on certain information in respect of the business of the Meeting. This supplemental disclosure is intended to supplement and correct the corresponding information contained in the Circular. Shareholders are encouraged to read the Circular, which is available at www.sedarplus.ca.

Clarification of Meeting Date

The Company would like to clarify that the Meeting will be held on Thursday July 31, 2025.

Correction Regarding MI 61-101 Exemptions for Debt Settlement

At the Meeting, pursuant to the Debt Settlement Resolution, common shareholders are being asked to consider, and if thought advisable pass, with or without variation, an ordinary resolution of disinterested shareholders authorizing and approving the proposed debt settlement of \$437,500 of existing debt owing to certain creditors by way of issuance of an aggregate of approximately 8,750,000 Common Shares at a deemed price of \$0.05 per Common Share (the "**Debt Settlement**"), consistent with the subscription price of the proposed Private Placement.

The Debt Settlement involves related parties as follows:

- Prime Wire Media Inc., controlled by Mr. John David Belfontaine (CEO and Chairman), owed \$350,000 and set to receive 7,000,000 Common Shares;
- Mr. Christopher Foster (CFO), owed \$62,500 and set to receive 1,250,000 Common Shares; and
- Mr. George Kovalyov (director), owed \$25,000 and set to receive 500,000 Common Shares.

Each of these individuals is a related party under MI 61-101 by virtue of their roles and security holdings. Upon completion, Mr. Belfontaine will hold approximately 42.95%, Mr. Foster approximately 6.11%, and Mr. Kovalyov approximately 3.18% of the issued and outstanding Common Shares. Mr. Belfontaine will become a Control Person of the Company.

The Company initially intended to rely on the "financial hardship" exemption under section 5.7(1)(e) of MI 61-101 from the minority approval requirement. However, as the TSX Venture Exchange has required a shareholder meeting for disinterested shareholder approval, that exemption is not available to the Company.

Instead, the Company will seek minority shareholder approval for the Debt Settlement in accordance with MI 61-101, excluding the 1,799,312 Common Shares held by Mr. Belfontaine, and the 150,000 Common Shares held by Mr. Kovalyov. Mr. Foster does not hold any Common Shares. Accordingly, an aggregate of 1,949,312 Common Shares will be excluded for the purposes of determining whether minority approval for the Debt Settlement has been obtained. The Company wishes to rely on the exemption from

the formal valuation requirement set out in section 5.5(b) of MI 61-101 as the Company's securities are not listed on a specified exchange.

Background to the Debt Settlement

The proposed Debt Settlement was reviewed and considered by the board of directors. The board, with the interested directors abstaining from voting, approved the Debt Settlement. There were no materially contrary views or dissenting opinions expressed by any the directors, and no material disagreements arose between the members of the board of directors regarding the Debt Settlement

Prior Valuation

Neither the Company nor any director or executive officer of Company, after reasonable inquiry, has knowledge of any prior valuation in respect of the Company that has been made in the 24 months before the date of the Circular.

Prior Offers

The Company did not receive any *bona fide* prior offers related, or that is otherwise relevant, to the Debt Settlement during the 24 months before the Debt Settlement was agreed to.

Additional Disclosure Pursuant to MI 61-101

Pursuant to MI 61-101, in connection with the Debt Settlement, the Company is required to include in this press release certain additional disclosure prescribed by Form 62-104F2 - *Issuer Bid Circular*, to the extent applicable to the Debt Settlement (and with necessary modifications). This additional disclosure, as required pursuant to MI 61-101, is set out below.

Trading Data

The Common Shares trade on the NEX board of the TSX Venture Exchange ("**TSXV**").

Ownership of Securities of the Company

To the knowledge of the Company, the following table sets forth, as of the date of this Circular, the number and percentage of securities of the Company beneficially owned or over which control is exercised:

- (a) by each director and officer of the Company; and
- (b) after reasonable inquiry, by
 - (i) each associate or affiliate of an insider of the Company;
 - (ii) each associate or affiliate of the Company;
 - (iii) an insider of the Company, other than a director or officer of the Company; and
 - (iv) each person acting jointly or in concert with the Company.

Name	Position Held with Company	Number and Percentage of Common Shares	Number of Convertible Securities
John David A. Belfontaine	CEO & Director	1,736,579 held personally and 42,733 held through Prime Wire Media Inc. 16.72%	36,685 Options 29,348 Units
Christopher Foster	CFO	Nil	26,680 Options
George Kovalyov	Director	150,000 1.41%	26,680 Options

Commitments to Acquire Securities of the Company

Other than as disclosed in this Circular, there are no agreements, commitments or understandings made by the Company or, to the knowledge of the Company, by any person referred to in the table above under the heading "Ownership of Securities of the Company" to acquire securities of the Company.

Material Changes in the Affairs of the Company

As at the date of this Circular, except in respect of the Private Placement, Debt Settlement, Preferred Share Conversion, and Preferred Share Amendment, the Company does not have any plans or proposals for material changes in the affairs of the Company, including, for example, any material contract or agreement under negotiation, any proposal to liquidate the issuer, to sell, lease or exchange all or a substantial part of its assets, to amalgamate it or to make any material changes in its business, corporate structure (debt or equity), management or personnel.

Previous Purchases and Sales of Securities

In the 12 months preceding the date of this Circular, the Company sold 5,544,344 Common Shares for \$0.045 per Common share via a non-brokered private placement on March 7, 2025.

Previous Distributions

Except as set forth in the table below, there have been no Common Shares distributed by the Company during the five (5) years preceding the date of this Circular:

Date	Description	Number of Securities	Price Per Security (\$)	Aggregate Proceeds
07-Mar-25	Private Placement	5,544,344 Common Shares	\$0.05	\$249,495
27-Mar-24	Debt Transaction	12,480,867 Common Shares	the last price of the common shares on the previous trading day market close	\$187,213
28-Feb-24	Unsecured convertible debenture	Received all formal conversion notices from the Debenture Unit holders to issue 2,893,333 Common Shares as settlement, following a previous issuance of 666,667 Common Shares for the settlement of \$200,000 of Debenture Units which took place last year, on February 27, 2023.	\$0.30	\$868,000
20-Mar-23	Private Placement	14,504,000 Units (14,504,000 Common Shares & 7,252,000 Warrants); Warrants entitle the holder to acquire one additional common share in the capital of the Company at a price of \$0.07 per Common Share for a period of 24 months after the date of issuance of the Warrants (expired March, 2025).	\$0.05 / Unit	\$725,200
02-Mar-22	Acquisition	DGTL Holdings acquired 47,704,357 Engagement Labs Shares in exchange for 5,419,173 DGTL Holdings Shares	Exchange Ratio of 0.1136	N/A

02-Mar-22	Acquisition	280,000 Common Shares & 275,000 Compensation Warrants (Each Warrant is exercisable at a price of \$0.405 for the purchase of one (1) Share for a period of five years following the closing date,)	N/A	N/A
20-Jan-21	Private Placement	2,272,727 Common Shares	\$0.44	\$1,000,000
08-Jan-21	Private Placement	2,524,614 Common Shares	\$0.35	\$883,615

Dividends

The Company has not declared or paid any dividends or distributions on its Common Shares, Preferred Shares, or other securities in the two (2) years preceding the date of this Circular. Dividends have accrued on the Preferred Shares. However, in accordance with corporate law and the insolvency rule, the Company has not paid these accrued dividends while insolvent. It is not contemplated that any dividends will be paid in the immediate or foreseeable future. Currently, the Company anticipates retaining any funds to finance expansion and development of its business. Any future determination to pay dividends or distributions will be made at the discretion of the Board and will depend upon the results of operations, financial condition, cash requirements, contractual and legal restrictions, and other factors the directors deem relevant.

Expenses Related to the Debt Settlement

It is estimated that the expenses incurred by the Company in connection with the Debt Settlement will be approximately \$15,000.

Financial Statements

The most recent interim financial statements and annual financial statements of the Company will be sent out without charge to any security holder requesting them.

For more Information

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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 release.

FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. The forward-looking statements and information contained in this press release include but are not limited to statements relating to the Meeting date, the Debt Settlement, the Preferred Share Amendment, and expectations about the future of the Company. The forward-looking statements made are based on certain key expectations and assumptions made by the Company including receipt of Shareholder approval for all resolutions at the Meeting, and expectations that the Debt Settlement and Preferred Share Amendment will be beneficial for the Company.

Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: the ability to consummate the proposed transactions; the ability to obtain requisite regulatory and other approvals and the satisfaction of other conditions to the consummation of the proposed transactions on the proposed terms and schedule; the potential impact of the announcement or consummation of the proposed transactions on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation; and the diversion of management time on the proposed transaction. Further Factors which could materially affect such forward-looking information are described in the risk factors in the Company's most recent annual management's discussion and analysis that is available on the Company's profile on SEDAR+ at www.sedarplus.ca. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements included in this news release are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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<https://www.newsfilecorp.com/release/260070>