

*NOT FOR DISTRIBUTION TO UNITED STATES WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES. THIS NEWS RELEASE DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES IN THE UNITED STATES. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO U.S. PERSONS UNLESS REGISTERED UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THIS NEWS RELEASE DOES NOT CONSTITUTE AN OFFER OR SALE OF SECURITIES IN THE UNITED STATES.*

FOR IMMEDIATE RELEASE

TSX Venture Exchange: DBC.P

## **DEPARTURE BAY CAPITAL ENTERS INTO LETTER OF INTENT TO COMPLETE QUALIFYING TRANSACTION WITH CHEELCARE**

**OCTOBER 30, 2024 – VANCOUVER, BC – DEPARTURE BAY CAPITAL CORP.** (“**DBC**”) is pleased to announce that it has entered into a binding letter of intent dated October 28, 2024 (the “**LOI**”), with 9302204 Canada Inc. (o/a Cheelcare) (“**Cheelcare**”) pursuant to which DBC proposes to acquire all of the issued and outstanding securities of Cheelcare in exchange for the issuance of securities of DBC, which will result in Cheelcare becoming a wholly-owned subsidiary of DBC (the “**Cheelcare Transaction**”). The Cheelcare Transaction, assuming the completion of the Private Placement (as defined below), will result in a reverse take-over of DBC where the existing shareholders of Cheelcare will own a majority of the outstanding common shares of DBC (the “**DBC Common Shares**”) and DBC is expected to be renamed to such name as Cheelcare may determine. (the “**Resulting Issuer**”). Upon completion of the Cheelcare Transaction, it is anticipated that the Resulting Issuer will be a Tier 2 - Technology Issuer.

Trading in the DBC Common Shares will be halted in accordance with the policies of the TSX Venture Exchange (the “**TSXV**”) and will remain halted until such time as all required documentation in connection with the Cheelcare Transaction has been filed with and accepted by the TSXV and permission to resume trading has been obtained from the TSXV and, accordingly, DBC is not required to obtain the approval of its shareholders for the Qualifying Transaction.

### **The Qualifying Transaction**

DBC is a capital pool company and intends that the Cheelcare Transaction will constitute its “Qualifying Transaction” under *Policy 2.4 – Capital Pool Companies* of the TSXV (“**Policy 2.4**”). The Cheelcare Transaction will not constitute a non-arm’s length Qualifying Transaction (as such term is defined under Policy 2.4) or a related party transaction pursuant to the policies of the TSXV.

Pursuant to the terms and conditions of the LOI, DBC and Cheelcare will negotiate and enter into a definitive agreement (the “**Definitive Agreement**”) incorporating the principal terms of the Cheelcare Transaction as described in the LOI and this press release. There is no assurance that a Definitive Agreement will be successfully negotiated or entered into. The terms and conditions outlined in the LOI are binding on the parties and the LOI is expected to be superseded by the Definitive Agreement to be negotiated between the parties. The Cheelcare Transaction will be

structured as a share exchange, plan of arrangement, amalgamation or other form of business combination based on the advice of the parties' respective advisors and taking into account various securities, tax, operating and other considerations.

As consideration for the acquisition of all of the outstanding securities of Cheelcare, holders of the issued and outstanding common shares of Cheelcare ("**Cheelcare Common Shares**") will receive one (1) post-DBC Consolidation (as defined herein) DBC Common Share for each one (1) post-Cheelcare Split (as defined herein) Cheelcare Common Share.

Immediately prior to the completion of the Cheelcare Transaction, DBC will consolidate its issued and outstanding DBC Common Shares on the basis of three (3) pre-consolidation DBC Common Shares for each one (1) post-consolidation DBC Common Share (the "**DBC Consolidation Ratio**") as a condition to the completion of the Cheelcare Transaction (the "**DBC Consolidation**"). Currently there are 4,500,000 DBC Common Shares issued and outstanding, stock options exercisable for 450,000 DBC Common Shares, and broker warrants exercisable for 200,000 DBC Common Shares. All incentive stock options and outstanding warrants of DBC are anticipated to be adjusted on the basis of the DBC Consolidation Ratio.

In addition, immediately prior to the completion of the Cheelcare Transaction, Cheelcare will split its issued and outstanding Cheelcare Common Shares on such basis as shall result in Cheelcare having 10,342,015 Cheelcare Common Shares (the "**Cheelcare Share Split Ratio**") issued and outstanding following completion of the split, excluding any securities issued in the Private Placement (as defined below) and the Debenture Conversion (as defined below) as a condition to the completion of the Cheelcare Transaction (the "**Cheelcare Split**"). There are currently 8,005,690 Cheelcare Common Shares issued and outstanding. All incentive stock options of Cheelcare are anticipated to be adjusted on the basis of the Cheelcare Share Split Ratio.

Cheelcare intends to conduct, and it is a condition of the Cheelcare Transaction for Cheelcare to close, a concurrent private placement (the "**Private Placement**") for minimum aggregate gross proceeds of C\$2,500,000 and up to a maximum of C\$3,500,000, through the offering of subscription receipts of Cheelcare (the "**Subscription Receipts**") to be sold at an issue price of C\$0.75 per Subscription Receipt. It is anticipated that each Subscription Receipt will be convertible into one Cheelcare Common Share (on a post-Cheelcare Split basis) and one-half (1/2) of one share purchase warrant (each whole warrant being a "**Warrant**"). Each Warrant will be exercisable for one Cheelcare Common Share (on a post-Cheelcare Split basis) at an exercise price of C\$1.50 per Cheelcare Common Share for a period of twenty-four (24) months from the issuance date. Further disclosure of the terms and conditions of the Private Placement will be provided upon the further agreement and settlement of the terms and conditions thereof between the parties. There is no assurance that such negotiations will be concluded successfully. Cheelcare intends to use the net proceeds from the Private Placement for business development, working capital requirements and general corporate purposes.

### **Significant Conditions to Closing**

The completion of the Cheelcare Transaction is subject to a number of conditions precedent, including but not limited to satisfactory due diligence review, negotiation and execution of the Definitive Agreement and accompanying transaction documents, approval of the shareholders of

each of DBC and Cheelcare (if required), obtaining necessary third party approvals, TSXV acceptance, closing of the Private Placement for gross proceeds of not less than C\$2,500,000 and preparation and filing of a management information circular or filing statement outlining the definitive terms of the Cheelcare Transaction and describing the business to be conducted by the Resulting Issuer following completion of the Cheelcare Transaction, in accordance with the policies of the TSXV. There can be no assurance that the Cheelcare Transaction or the Private Placement will be completed as proposed, or at all. The obligations of DBC and Cheelcare pursuant to the LOI shall terminate in certain specified circumstances, including but not limited to in the events that: (i) the closing of the Private Placement for the minimum proceeds has not been completed by December 10, 2024 or (ii) if the closing of the Cheelcare Transaction has not occurred by January 31, 2025.

Additionally, it is a condition of the Cheelcare Transaction for Cheelcare to convert \$1,075,000 principal amount plus any accrued and unpaid interest, in unsecured convertible debentures outstanding into Cheelcare Common Shares at a conversion price which is at a 25% discount to the valuation ascribed to the Cheelcare Common Shares in the Cheelcare Transaction (the “**Debenture Conversion**”).

This is an initial press release with respect to the Cheelcare Transaction. DBC plans to issue a comprehensive press release in accordance with Policy 2.4 once it has entered into the Definitive Agreement to provide, among other things, selected financial information respecting Cheelcare, the Private Placement and the biographies of the anticipated directors and officers of the Resulting Issuer. Additional information with respect to Cheelcare and the Transaction will be included in DBA’s management information circular or filing statement to be filed in connection with the Transaction, which will be available under DBC’s SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Bridge Loan**

In connection with the Cheelcare Transaction and as of the date of execution of the LOI, DBC shall advance a bridge loan to Cheelcare in the amount of C\$25,000 and subject to the approval of the TSXV, DBC shall advance a further C\$50,000 to Cheelcare, pursuant to terms and conditions to be agreed to between the parties (the “**Loan**”). DBC shall provide a subsequent updating press release once such Loan terms are finalized.

### **Sponsorship**

Sponsorship of a Qualifying Transaction is required by the TSXV unless a waiver from the sponsorship requirement is obtained. DBC intends to apply for a waiver from sponsorship for the Cheelcare Transaction. There is no assurance that a waiver from this requirement will be obtained.

### **About 9302204 Canada Inc. (o/a Cheelcare)**

9302204 Canada Inc. (o/a Cheelcare<sup>TM</sup>) is a company incorporated under the *Canada Business Corporations Act* and stands as an innovative technological and manufacturing company dedicated to removing barriers to mobility. By harnessing the power of artificial intelligence and breakthrough engineering, Cheelcare is determined to radically improve the lives of millions living with disabilities by delivering next-generation, life-changing technology to the multi-billion wheelchair market. Innovations that are not just a step forward but a leap into uncharted territories

that redefine possibilities. Cheelcare's alignment with government funding programs ensures that customers can access its critical products through resilient funding streams, even in diverse market conditions.

Cheelcare's portfolio includes three rapidly growing lines of patented devices: innovative safety accessories, the industry-award-winning power add-on for manual wheelchairs known as Companion, and Curio, a technologically advanced robotic complex rehab power wheelchair.

Curio sets new industry benchmarks with an unprecedented range of movement, omnidirectional tilting, and self-levelling capabilities – pioneering a new dimension in mobility.

Cheelcare is redefining accessibility for millions. Its team of engineers and visionaries is on a mission to continuously expand its life-changing impact in the global market.

### **About Departure Bay Capital Corp.**

DBC is a capital pool company created pursuant to the policies of the TSXV. It does not own any assets, other than cash or cash equivalents and its rights under the LOI. The principal business of DBC is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to acceptance by the TSXV so as to complete a Qualifying Transaction in accordance with Policy 2.4.

### **Forward-Looking Statements Disclaimer**

*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.*

*Certain information in this press release may contain forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. DBC assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to DBC. Additional information identifying risks and uncertainties is contained in filings by DBC with the Canadian securities regulators, which filings are available at [www.sedarplus.ca](http://www.sedarplus.ca).*

*Completion of the Cheelcare Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and, if applicable pursuant to TSXV requirements, 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 or management information circular to be prepared in connection with the Cheelcare 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.*

*The TSXV has in no way passed upon the merits of the proposed Cheelcare Transaction and has neither approved nor disapproved the contents of this press release.*

*The DBC Common Shares will remain halted until such time as permission to resume trading has been obtained from the TSXV. DBC is a reporting issuer in Alberta and British Columbia.*

**For more information about DBC, please contact Trevor Treweeke, Chief Executive Officer and Corporate Secretary, at 778-870-5028 or by email at [trevortreweeke@gmail.com](mailto:trevortreweeke@gmail.com).**