

NEWS RELEASE

SBD CAPITAL CORP. ANNOUNCES CONSOLIDATION AND PROPOSED DEBT SETTLEMENT

TORONTO, March 7, 2025 – **SBD Capital Corp. (CSE: SBD)** (the "**Company**") announces that, further to its press release of January 13, 2025, the Company's board of directors has approved, and the Company will be effecting, a share consolidation of its issued and outstanding common shares ("**Common Shares**") on a one (1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares (the "**Consolidation**").

In relation to the Consolidation, the Company has obtained a new CUSIP (78412Y301) and ISIN (CA78412Y3014). There is no name change or stock symbol change in connection with the Consolidation.

The Consolidation is subject to the approval of the Canadian Securities Exchange (the "**CSE**"). The Company's common shares are expected commence trading on the CSE on a consolidated basis on or about market open on March 13, 2025, under the Company's existing symbol "SBD".

The Consolidation will reduce the number of outstanding Common Shares from 7,890,166 to approximately 789,016. The exercise or conversion price and the number of Common Shares issuable under any of the Company's outstanding stock options will be proportionately adjusted to reflect the Consolidation in accordance with the respective terms thereof. No fractional Common Shares will be issued pursuant to the Consolidation and any fractional shares that would have otherwise been issued will be converted into whole Common Shares without par value of the Company, such that fractional Common Shares will be rounded down to the nearest whole number.

Letters of transmittal with respect to the Consolidation will be mailed to registered shareholders of the Company. All registered shareholders with physical certificates will be required to send their respective share certificates representing pre-Consolidation Common Shares, along with a properly executed letter of transmittal, to the Company's registrar and transfer agent, TSX Trust Company, in accordance with the instructions provided in the letter of transmittal. Shareholders who hold their Common Shares through a broker, investment dealer, bank or trust company or other intermediary should contact that nominee or intermediary for assistance in depositing their Common Shares in connection with the Consolidation.

In addition, the Company is pleased to announce that it intends to settle an aggregate of \$418,571.82 of indebtedness owed to certain creditors of the Company through the issuance of 1,550,266 common shares (each, a "**Common Share**") in the capital of the Company at a price of \$0.27 per Common Share (the "**Debt Settlement**"). The Company will continue to work towards settling its outstanding trade payables in order to remediate its working capital deficiency.

The Debt Settlement is considered a "related party transactions" as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"), as Chris Irwin, an insider of the Company, will receive 427,121 Common Shares to settle an aggregate of \$116,942.94 of cash advances Mr. Irwin has made to the Company. The Company is relying on the exemption from the valuation requirement of MI 61-101 contained in section 5.5(g) of MI 61-101, as the Company's securities are not listed on one of the markets specified in section 5.5(g) of MI 61-101. The Company did not rely on an exemption the minority shareholder approval under MI 61-101, as minority shareholder approval for the Debt Settlement was received at the annual and special meeting of shareholders held on January 24, 2025.

In connection with the Debt Settlement, Mr. Irwin has agreed to distribute Common Shares to certain third parties in order for the Company to have the requisite number of Board Lots (as that term is defined in the policies of the CSE) to meet the CSE's continued listing requirements. The Common Shares to be issued pursuant to the Debt Settlement shall be subject to a four-month hold period and completion of the Debt Settlement remains subject to final acceptance of the Canadian Securities Exchange.

The Debt Settlement was approved by the members of the board of directors of the Company who are independent for the purposes of the Debt Settlement, being all directors other than Mr. Chris Irwin. No special committee was established in connection with the Debt Settlement, and no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto.

For further information, please contact:

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Forward Looking Information

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.