



WATERFRONT
CAPITAL
CORPORATION

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Waterfront Capital Provides Update on Proposed Transaction with Water Street Profile Services Inc.

West Vancouver, British Columbia – September 12, 2018 – By news release dated May 3, 2018, Waterfront Capital Corporation (the “Company” or “Waterfront Capital”) announced that it had entered into a letter of intent, dated January 23, 2018 (the “LOI”) with Water Street Profile Services Inc. (“Water Street”) to acquire all of the issued and outstanding shares of Water Street (the “Transaction”) in exchange for common shares of Waterfront Capital. The Transaction may constitute a “Change of Business” or “Reverse Takeover” under the policies of the TSX Venture Exchange (the “Exchange”) and is subject to prior Exchange approval. The Transaction is an arm’s length transaction.

By way of update, the Company is pleased to announce that its due diligence of Water Street is proceeding well. Since announcing the Transaction, trading of the shares of the Company has remained halted and the Company intends to remain halted until the Transaction has completed.

About Water Street and The Profile Coworking Business Club (“The Profile”)

Water Street is revolutionizing how and where people work by offering coworking and office space in a modern social business club model. Established in 2009 under the business name “The Profile Coworking Business Club”, Water Street has three locations in Greater Vancouver, British Columbia (specifically, historical Gastown, the Central Business District of Vancouver and Lower Lonsdale in North Vancouver). With 1,500 members and growing, Water Street’s expansion plans for The Profile coworking spaces include key areas throughout the Lower Mainland and along the West Coast, under a unique location strategy. The Profile offers the ultimate meeting and networking lounges with coffee bars, kombucha, wine and craft beers on tap, and full catering. A variety of non-lease meeting spaces, living rooms, workshops and board rooms and casual workspace is available 24/7/365.

The Coworking Office Space Industry

Coworking office space typically provides a choice of shared and private workspaces for entrepreneurs, freelancers, startups, small businesses and large enterprises. As well as traditional office spaces, coworking spaces offer open concept space and often provide amenities such as food/beverage, catering, office services, presentation and function space and special events coordinated by its members.

With the high cost, low availability and onerous lease terms involved in obtaining space in major business centers, there is a growing demand for communal workspace that can provide short-term flexibility without any capital investment, and that is a cheaper and quicker option for an individual or a company to set up. Coworking spaces provide the ability to move in and out of a market faster and many provide flexibility as they are normally accessible 24/7.

Not only can professionals enjoy an affordable, fully-stocked office environment where they can come and go as needed, but many coworking spaces invest in building solid communities, uniting like-minded professionals who come from a diverse range of industries in a space where they can learn, connect, collaborate and socialize.

There are a number of coworking space companies established in Vancouver (such as “Spaces” and “WeWork”), some of which also have coworking space in major business centers across Canada, and internationally.

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested 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 management information circular or filing statement to be prepared in connection with the 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 Waterfront Capital should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

For further information, contact Mr. Clive Shallow, Shareholder Communications, at 604-922 2030.

Waterfront Capital Corporation

“Douglas L. Mason”

Douglas L. Mason, Chief Executive Officer

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.

This news release contains forward-looking statements about the Company, the timing and implementation of the Transaction, the proposed Financing, the proposed Loan, the Company’s future performances, strategies or prospects, and possible future actions. The words “may”, “could”, “should”, “would”, “suspect”, “outlook”, “believe”, “plan”, “anticipate”, “estimate”, “expect”, “intend”, “forecast”, “objective” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Company and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Company. These factors include, but are not limited to, regulatory and Exchange approval, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgements, legal proceedings and catastrophic events. The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.