



July 10, 2023

CSE: VTI

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### **Valdor enters into Definitive Agreement for Acquisition of 1000175307 Ontario Ltd.**

**Vancouver, B.C.– July 10, 2023** – Valdor Technology International Inc. (“**Valdor**” or the “**Company**”) (CSE: VTI) is pleased to announce that, further to its news release of December 2, 2022 (the “**Initial Press Release**”), it has entered into a definitive arrangement agreement dated July 7, 2023 (the “**Arrangement Agreement**”) with 1000175307 Ontario Ltd. (“**307**”), an Ontario corporation, pursuant to which Valdor will acquire, through a wholly-owned subsidiary, all of the issued and outstanding common shares of 307 (“**307 Shares**”) from the shareholders of 307 (the “**Transaction**”). 307 is party to an option agreement with Minera Atenea S.A., a private Paraguay company (“**MAS**”) pursuant to which 307 has the option to acquire from MAS an 80% interest in and to certain mining rights located in Paraguay (the “**Paraguay Transaction**”), with an additional 5% interest that may be earned upon 307 making certain payments following the completion of the Paraguay Transaction.

#### **Transaction Overview**

The Transaction will be effected by way of a court-approved plan of arrangement under the provisions of the *Business Corporations Act* (Ontario) (the “**Arrangement**”). Under the terms of the Arrangement, Valdor will issue to holders of 307 Shares one common share in the capital of Valdor (a “**Valdor Share**”) at a deemed price of \$0.10 per Valdor Share for each one 307 Share, representing aggregate consideration of approximately \$12.17 million. The increase in aggregate consideration (as originally set out in the Initial Press Release) accounts for the substantially oversubscribed private placement of 307 Shares at a price of \$0.10 per 307 Share, with gross proceeds currently exceeding the initial equity financing requirements as set forth in the letter of intent relating to the Transaction and as disclosed in the Initial Press Release.

Both companies’ boards of directors have determined that the proposed Transaction is in the best interests of their respective Companies and have unanimously approved the Transaction. Each company’s board of directors has recommended that their respective shareholders vote in favor of the Transaction at their respective shareholder meetings. In making its recommendation, the board of directors of 307 (the “**307 Board**”) considered a number of factors, including the receipt by the 307 Board of a verbal fairness opinion from RWE Growth Partners, Inc. that, as of the July 7, 2023, and subject to the assumptions, qualifications and limitations provided therein, the consideration to be received by the 307 shareholders pursuant to the Arrangement is fair, from a financial point of view, to the 307 shareholders.

Completion of the Arrangement is subject to (i) approval by the Ontario Superior Court of Justice

(Commercial List) and (ii) the affirmative vote of respective shareholders of the Companies at shareholder meetings to be held on the same day, targeted for late summer 2023. The Arrangement is also subject to customary conditions and receipt of applicable regulatory and third party approvals and consents as may be required to effect and complete the transaction, including approval of the Canadian Securities Exchange (“CSE”) as the Transaction constitutes a “fundamental change” of Valdor pursuant to the policies of the CSE. The Arrangement Agreements includes customary provisions, including fiduciary-out provisions, covenants not to solicit other acquisition proposals and the right to match any superior proposal.

Assuming that all requisite approvals are received, the parties expect to close the proposed Arrangement in the third quarter of 2023 or such other date as the parties may agree. Upon completion of the Arrangement, all of the members of the 307 Board will resign and the management of Valdor will manage 307 after completion of the Arrangement.

The terms of the Arrangement will be described in further detail in the management information circular of the parties to be filed with regulatory authorities and mailed to shareholders of in accordance with applicable securities laws.

In connection with the Transaction, on December 21, 2022, Valdor and 307 entered into a loan agreement and general security agreement in respect of a “line of credit” loan provided by Valdor to 307 for up to \$100,000 (the “**Loan**”) bearing an interest of 10% per annum. The Loan was used by 307 for general working capital purposes and has been fully repaid.

Shareholders and other interested parties are advised to read the materials relating to the proposed Arrangement, including the Arrangement Agreement, that will be filed by Valdor with securities regulatory authorities in Canada when they become available. Anyone may obtain copies of these documents when available free of charge under Valdor’s profile at [www.sedar.com](http://www.sedar.com).

### **About Valdor**

Valdor Technology International Inc. has an operating subsidiary company, Valdor Fiber Optics, Inc., headquartered near San Francisco, California which assembles optical fiber components and specializes in the design, manufacture and sale of passive fiber optic equipment.

### **ON BEHALF OF THE BOARD OF DIRECTORS OF VALDOR TECHNOLOGY INTERNATIONAL INC.**

Lucas Russell  
President & CEO  
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### **Forward looking statements**

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding the Transaction, the Loan, the Paraguay Transaction, statements regarding 307, the Transaction constituting a “fundamental change” pursuant to relevant CSE rules, the terms of any the Arrangement Agreement and the Arrangement, anticipated timelines relating to the Transaction, the Paraguay Transaction, the Loan, future financial

position, business strategy, use of proceeds from the Loan, corporate vision, proposed acquisitions, partnerships, joint-ventures and strategic alliances and co-operations, budgets, cost and plans and objectives of or involving the Company. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company including, but not limited to, the impact of general economic conditions, industry conditions and dependence upon regulatory approvals. Certain material assumptions regarding such forward-looking statements may be discussed in this news release and the Company's annual and quarterly management's discussion and analysis filed at [www.sedar.com](http://www.sedar.com). Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by securities laws.

*No securities regulatory authority has either approved or disapproved of the contents of this news release.*

*Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this news release. The CSE has not, in any way, passed upon the merits of the Transaction and associated transactions and has not, in any way, approved or disapproved of the contents of this news release.*

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