

GALLAGHER SECURITY CORP.

Early Warning Report Filed Pursuant to National Instrument 62-103

March 12, 2020 – Gallagher Security Corp. (the “**Company**”) (CSE:GLL): This press release is being disseminated as required by National Instrument 62-103 *The Early Warning System and Related Take Over Bids and Insider Reporting Issues* in connection with the filing of an early warning report (the “**Early Warning Report**”) regarding the acquisition of common shares of the Company by RD Capital Inc. (the “**Acquiror**”), a company controlled by Devinder Randhawa, a director of the Company.

The Acquiror, on March 12, 2020, acquired 3,065,240 common shares of the Company (the “**Shares**”) pursuant to a debt settlement agreement with the Company dated March 12, 2020, pursuant to which \$153,262 of debt was settled in consideration for the issuance of the Shares at a deemed price of \$0.05 per Shares.

Prior to the acquisition, the Acquiror had beneficial ownership and control of 1,940,582 common shares of the Company and 1,834,500 warrants to purchase common shares of the Company, representing approximately 20.58% of the Company’s issued and outstanding common shares on an undiluted basis as of such time. After completion of the acquisition of the Shares, the Acquiror now has beneficial ownership and control of 5,005,822 common shares of the Company. The 5,005,822 common shares represent approximately 40.06% of the 12,496,758 issued and outstanding common shares of the Company, resulting in an increase by 19.48% to the Acquiror’s holdings after the completion of the acquisition of the Shares.

The Acquiror is owned and controlled by Mr. Randhawa as a result of which Mr. Randhawa is deemed a joint actor of the Acquiror. In addition, Mr. Devinder Randhawa personally owns and controls 394,505 common shares of the Company and 62,982 warrants to purchase common shares of the Company. After completion of the acquisition of the Shares, Mr. Devinder Randhawa and the Acquiror jointly own and control in the aggregate 5,400,327 common shares which represents approximately 43.21% of the 12,496,758 issued and outstanding common shares, and on a partially diluted basis, 7,297,809 common shares which represents approximately 50.70% of the total number of issued and outstanding common shares of the Company.

The Shares acquired by the Acquiror are held for investment purposes. The Acquiror will review its investment in the Company’s securities on a continuing basis and such holdings may be increased or decreased in the future. The Acquiror may in the future acquire or dispose of securities of the Company, through the open market, privately or otherwise, as circumstances or market conditions dictate.

A copy of the Early Warning Report filed under applicable securities laws is available under the Company’s profile on SEDAR (www.sedar.com).

For further information, please contact:

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