

## BELLAIR VENTURES INC.

### BELLAIR VENTURES INC. ENTERS INTO SHARE PURCHASE AGREEMENT WITH RESPECT TO THE ACQUISITION OF URBAN MECHANICAL CONTRACTING LTD.

TSX VENTURE EXCHANGE: BVI

FOR IMMEDIATE RELEASE

**Toronto, Ontario** – October 3, 2012 – Bellair Ventures Inc. (“**Bellair**”) (TSXV:BVI) announces that it has entered into a share purchase agreement (the “**Agreement**”) dated September 6, 2012 with The Edward J. Winter Family Trust (the “**Vendor**”), Edward J. Winter and Marco E. Winter. Pursuant to the Agreement, the Vendor agreed to sell and Bellair agreed to purchase all of the issued and outstanding shares of Urban Mechanical Contracting Ltd. (“**Urban Mechanical**”) for a purchase price of \$10,000,000 less any long term debt of Urban Mechanical outstanding at closing of the transaction (the “**Purchase Price**”). The entering into of the Agreement terminated the letter of intent dated August 8, 2012 between Bellair, the Vendor, Urban Mechanical, Edward J. Winter and Marco E. Winter.

“Bellair believes that this horizontal integration strategy meets the increasing demand of the Industrial Commercial Institutional (“**ICI**”) marketplace by combining Clean Energy Developments Corp. (“**CleanEnergy**”), a national leader of sustainable design build energy solutions, with Urban Mechanical, a company with a 45 year history of complete mechanical installations. This combination will allow the delivery of end-to-end sustainable solutions for asset owners, managers and construction leaders” stated Emlyn J. David, CEO of Bellair. “In addition, a number of synergies exist between CleanEnergy and Urban Mechanical that will enable the delivery of more cost effective and risk mitigated solutions to customers for inside and outside thermal energy and mechanical services.”

“This transaction will only build on the business I have spent 45 years building. Adding a Geo Thermal solution and services business will help us move our business into the next generation to offer complete sustainable design build solutions to the ICI marketplace” commented Mr. Edward J. Winter, President of Urban Mechanical. “I look forward to working and growing this innovative platform”

#### **Payment of Purchase Price**

The Agreement requires the Purchase Price be paid at the closing of the transaction by a payment of \$500,000 in cash, the assignment to the Vendor by Bellair of a \$500,000 term loan to be advanced by Bellair to Urban Mechanical upon the later of fifteen days after signing the Agreement and two days after the TSX Venture Exchange (the “**TSX-V**”) gives its approval for the advance, and the issuance of up to \$9,000,000 worth of common shares of Bellair at an issue price of \$0.55 per share, representing a discount of approximately 15% off the closing price on Tuesday, August 7, 2012 of \$0.65 per share. The number of Bellair common shares to be issued on closing will be reduced by the amount of any long term debt of Urban Mechanical outstanding on closing. Further, up to \$2,000,000 of the common shares of Bellair to be issued in satisfaction of the Purchase Price will not be issued at closing but will be issued on the date that is one year following the closing of the transaction

to ensure the Vendor's performance of certain obligations under the Agreement, and shall be subject to adjustment in certain events.

### **Bellair Financing of Urban Mechanical**

The \$500,000 term loan to be advanced by Bellair to Urban Mechanical will be payable by Urban Mechanical on demand at any time after 6 months following the date of the advance and it will be subject to interest charged at a rate of 10% per annum. The amount advanced will be subject to a security interest granted over all of the personal property of Urban Mechanical. The priority of such security interest will be subject to certain prior ranking existing security interests over Urban Mechanical's assets. The proceeds of the advance are expected to be used as operating capital. The advance by Bellair of such term loan will be subject to approval by the TSX-V.

### **Conditions of Closing**

Closing of the proposed transaction is subject to, among other things, the satisfactory completion of Bellair's ongoing due diligence investigations, the appointment of Edward J. Winter as a director of Bellair, Edward J. Winter entering into an employment agreement with Urban Mechanical on terms acceptable to Bellair and Edward J. Winter pursuant to which Edward J. Winter will agree to act as president and as a director of Urban Mechanical following closing of the proposed transaction and the receipt of all necessary consents and approvals, including the approval of the TSX-V.

### **About Bellair**

CleanEnergy, a wholly owned subsidiary of Bellair Ventures Inc. (TSXV:BVI), is the leading national design builder and dealer of thermal energy systems. CleanEnergy has executed over 2,100 geexchange heating and cooling installations across Canada. CleanEnergy designs and installs cost effective sustainable thermal energy systems for its users. CleanEnergy provides building owners, managers and developers a risk-managed solution with the ability to self-finance or provide a utility model for long-term thermal energy contracts.

### **About Urban Mechanical**

Urban Mechanical is a leading mid-tier mechanical contractor, which, together with predecessor businesses, has a history spanning more than 45 years in low-rise residential, high-rise residential and ICI installations in Ontario, Canada. With over 140 employees, Urban Mechanical has become an industry leader in design, LEED certified buildings, job site safety and risk management. Together these attributes have assisted Urban Mechanical with forging strong client/customer relationships which has enabled Urban Mechanical to complete over two billion dollars in mechanical installations.

### **Financial Information of Urban Mechanical**

Based on a review engagement of the unaudited annual financial statements for the period ended July 31, 2011, Urban Mechanical had net income of \$986,564 on revenue of \$54,891,603. In addition, Urban Mechanical had assets of \$17,674,183, liabilities of \$15,402,445 and shareholders' equity of \$2,271,663.

As at April 30, 2012, Urban Mechanical had net profit of \$760,487 on contracted sales and work in progress of \$49,933,560 along with assets of \$21,938,477, liabilities of \$18,906,248 and shareholders' equity of \$3,032,230, based on unaudited, management prepared financial statements for the 9-month period then ended.

### **Corporate History and Structure of Urban Mechanical**

Urban Mechanical was incorporated under the *Business Corporations Act* (Ontario) on June 28, 1993. Urban Mechanical's registered and head office is located at 254 Attwell Drive, Toronto, Ontario.

Urban Mechanical is wholly owned by The Edward J. Winter Family Trust, a trust settled under the laws of Ontario, of which Edward J. Winter and his wife, Norma Winter, are the only trustees. Edward J. Winter is the president, secretary and sole director of Urban Mechanical and it is a condition of closing the transaction contemplated by the Agreement that Edward J. Winter continue to act as a director and officer of Urban Mechanical following closing.

Edward J. Winter has served as the president, secretary and sole director of Urban Mechanical since 1993. With Urban Mechanical and predecessor businesses, Edward J. Winter has over 45 years of mechanical contracting experience. He presently serves as the President of the Metropolitan Plumbing and Heating Contractors Association.

*Certain statements in this press release are forward-looking statements. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by Bellair at the time of preparation, may prove to be incorrect. Forward-looking statements, specifically those concerning future performance, the closing of the transaction contemplated by the Agreement and other statements that are not historical fact, are subject to certain risks and uncertainties, and actual results may differ materially from Bellair's plans and expectations. These plans, expectations, risks and uncertainties are detailed herein and from time to time in the filings made by Bellair with the TSX-V and securities regulators. Bellair 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 law.*

*Completion of the transaction contemplated by the Agreement is subject to a number of conditions, including TSX-V acceptance and approval of the shareholders of Bellair. 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 and filing statement to be prepared in connection with the proposed transaction, any information released or received with respect to the proposed transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Bellair should be considered highly speculative.*

*All forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement.*

***Neither the TSX-V, nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this***

**release.** *No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.*

For further information, please contact Emlyn David, President, Chief Executive Officer, Secretary and Chairman of Bellair, at (416) 840-5002.