

Prospect Park Announces Cease Trade Order

Vancouver, British Columbia – February 7, 2023 – Prospect Park Capital Corp. (CSE:PPK) (the “**Company**”) announces further to its press release of January 27, 2023, that the Ontario Securities Commission (the “**OSC**”) has issued a Failure-to-File Cease Trade Order (“**FFCTO**”) pursuant to National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions* dated February 3, 2023 in respect of the securities of the Company as a result of the Company's inability to file its audited annual financial statements and management discussion & analysis for the financial years ended September 30, 2022 and 2021, and the CEO and CFO certificates, all as required by National Instrument 51-102 - *Continuous Disclosure Obligations* and National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the “**Documents**”).

As previously disclosed, the default was expected as the Company's auditor has indicated it anticipates requiring additional time to complete its audit and management anticipates it may be necessary to engage an independent valuator to provide an opinion in respect of the acquisition values as at the year-end date in respect of two intangible assets the Company acquired during the year ended September 30, 2022 in order to properly consider if they can support the position to auditor in respect thereof.

The Company continues to work diligently and expeditiously with its auditors and expects to file the Documents as soon as possible with a current expectation of on or about February 20, 2023.

The FFCTO prohibits the trading by any person of any securities of the Company in each jurisdiction in Canada in which the Company is a reporting issuer, including trades in the Company's common shares made through the Canadian Securities Exchange, for as long as the FFCTO remains in effect; however, the FFCTO provides an exception for beneficial securityholders of the Company who are not currently (and who were not as of February 3, 2023) insiders or control persons of the Company and who sell securities of the Company acquired before February 3, 2023 if both of the following criteria are met: (i) the sale is made through a "foreign organized regulated market", as defined in section 1.1 of the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada and (ii) the sale is made through an investment dealer registered in a jurisdiction of Canada in accordance with applicable securities legislation.

There is no assurance that the Company will be able to remedy its filing default and have the FFCTO lifted in a timely manner or at all.

The Company is not currently subject to any insolvency proceedings. The Company also confirms that there is no other material information concerning the affairs of the Company that has not been generally disclosed as of the date of this press release

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Neither the CSE nor its regulation services provider accepts responsibility for the adequacy of accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contain herein.

This news release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information relates to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events.

Generally, forward-looking statements and information can be identified by the use of forward-looking

terminology such as “intends”, “expects” or “anticipates”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would” or will “potentially” or “likely” occur. This information and these statements, referred to herein as “forward-looking statements”, are not historical facts, are made as of the date of this news release and include without limitation, statements regarding discussions of future plans, estimates and forecasts and statements as to management’s expectations and intentions with respect to, among other things: statements with respect to the anticipated timing for filing the Documents.

These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things, risks related to the failure of the Company to receive the required corporate and regulatory approvals, including CSE approval, as well as those risk factors discussed or referred to in the Company’s disclosure documents filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. In making the forward looking statements in this news release, the Company has applied several material assumptions, including without limitation, assumptions regarding the Company receiving the required corporate and regulatory approvals, including CSE approval.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Any such forward-looking statements are expressly qualified in its entirety by this cautionary statement. The forward-looking statements included in this news release is made as of the date of this news release. The Company does not undertake to update any forward-looking statement referred to herein, except in accordance with applicable securities laws.