

THE DELMA GROUP INC PROVIDES STATUS UPDATE IN ACCORDANCE WITH NATIONAL POLICY 12-203 *MANAGEMENT CEASE TRADE ORDERS*

Montréal, Québec, Canada, May 31, 2019 – The Delma Group Inc. (CSE:DLMA) (the “Company”) provides an update with respect to the previously announced management cease trade order (the “MCTO”) issued by the British Columbia Securities Commission on May 2, 2019. The MCTO was issued in connection with the delay by the Company in filing its annual financial statements, management’s discussion and analysis and related officer certifications for the financial year ended December 31, 2018 (collectively, the “**Annual Filings**”) beyond the required filing deadline under Parts 4 and 5 of National Instrument 51-102 *Continuous Disclosure Obligations* and pursuant to National Instrument 52-109 *Certification of Disclosure in Issuer’s Annual and Interim Filings*, being April 30, 2019.

The Company continues to work closely with its auditor and expects to file the Annual Filings before June 15, 2019. The Company expects that its quarterly financial statements, management’s discussion and analysis, and the related officer certifications for the first financial quarter FY2019 will also be delayed because of the temporary difficulties encountered in collecting all the required documentation, namely the documentation related to the properties held for sale by the Company located in jurisdictions outside of Canada.

The Company is providing this status update in accordance with National Policy 12-203 *Management Cease Trade Orders* (“NP 12-203”). The Company intends to follow the provisions of the Alternative Information Guidelines set out in NP 12-203, including the issuance of bi-weekly default status reports in the form of news releases, for as long as the Company remains in default. The Company confirms as of the date of this news release that there has been no material change in the information contained in the default announcement issued on May 2, 2019 and there is no other material information concerning the affairs of the Company that has not been generally disclosed. In addition, the Company hereby confirms that it has not received any financing from any related party at this time.

About The Delma Group Inc. :

The Delma Group's origins date back more than 25 years. In Montreal, it owns and operates real estate assets in Canada, USA and Europe. The Delma Group puts forward an agile and efficient investment platform aimed at optimizing yield while mitigating risks through its various subsidiaries. The Company is distinctively integrated both vertically and horizontally. It operates in the development, acquisition and management of multi-purpose properties.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release contains discussion of items that may constitute forward-looking statements within the meaning of securities laws that involve risks and uncertainties. Such statements include those with respect to the date on which the audit of the Company’s 2018 financial statements will begin, the time that audit will take to complete, and the date that the Annual Filings will be filed. Although the Company believes the expectations

reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurances that its expectations will be achieved. Such assumptions, which may prove incorrect, include the following: (i) the Company will succeed in retaining new auditors within a reasonable timeframe, (ii) the Company's new auditors will begin their work forthwith, (iii) the audit of the Company's 2018 financial statements will not take longer than has been customary, (iv) the auditors will be in a position to issue an auditor's report without reservations upon the completion of their audit, and (v) the Company will be in a position to file the Annual Filings shortly after the audit is complete. Factors that could cause actual results to differ materially from expectations include (i) the inability of the Company to successfully retain new auditors for whatever reason, (ii) the inability of those auditors to begin or complete their audit in a reasonable timeframe, (iii) the inability of the auditors to issue an unqualified auditor's report upon the completion of their audit and (iv) the Company's inability to file the Annual Filings for whatever reason after the audit has been completed. These factors and others are more fully discussed in the Company's filings with Canadian securities regulatory authorities available at www.sedar.com. Actual results may vary from the forward-looking information.

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