

Gencan Capital Inc. Announces Closing and Over-Subscription of Private Placement of Units

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TORONTO, Ontario, January 26, 2024 – Gencan Capital Inc. (CSE:GCA.X) (“**Gencan**” or the “**Corporation**”) is pleased to announce that it has closed an over-subscribed non-brokered private placement (the “**Private Placement**”) of units of the Corporation (each a “**Unit**”) previously announced on January 9, 2024. Under the Private placement, the Corporation has issued 1,314,286 Units for gross proceeds of \$92,000.02. No finder’s fees were paid in connection with the Private Placement.

Each Unit consists of one common share in the capital of the Corporation (each a “**Common Share**”) and one Common Share purchase warrant (each a “**Warrant**”). Each Warrant will entitle the holder to purchase one Common Share at an exercise price of CDN\$0.10 for a period of 36 months following the issuance of the Units.

Insiders of the Corporation participated in the Private Placement for 78,786 Units in the aggregate. Such participation represents a related party transaction subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The transaction is however exempt from the formal valuation and minority shareholder approval requirements provided under subsections 5.5(a) and 5.7(a) of MI 61-101 on the basis that participation in the Private Placement by insiders did not exceed 25% of the fair market value of the Corporation’s market capitalization.

All securities issued in connection with the Private Placement are subject to a four-month and one day hold period in Canada, during which time the securities may not be traded.

The Corporation intends to use the net proceeds from the Private Placement for general working capital and corporate purposes.

Forward-Looking Information

This news release contains forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “estimates”, “intends”, “anticipates”, “believes” or variations of such words and phrases or state that certain actions, events, or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results, events, performance or achievements of the Corporation to differ materially from current expectations or future results, performance or achievements expressed or implied by the forward-looking information contained in this news release. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information include changes to market conditions, consumer preferences, and other factors and risks as disclosed in the Corporation’s most recent management’s discussion and analysis and other documents filed from time to time on SEDAR+ (see www.sedarplus.ca). Readers are cautioned not to place undue reliance on these forward-

looking statements, which speak only as of the date of this press release. Although the Corporation believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information included in this news release are made as of the date of this news release and the Corporation disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

The CSE nor its market regulator does not accept responsibility for the adequacy or accuracy of this news release. The CSE has neither approved nor disapproved the contents of this news release.

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