

Press Release



Justify Capital Corp. and Everyday People Financial Inc. Announce Closing of Brokered Private Placement of Units of EP and Update on Qualifying Transaction

Vancouver, British Columbia--(Newsfile Corp. - January 25, 2022) – Justify Capital Corp. (TSXV: JST.P) (“**Justify**”) and Everyday People Financial Inc. (“**EP**”), the counterparty to Justify’s previously announced proposed “Qualifying Transaction” (within the meaning of Policy 2.4 - Capital Pool Companies of the TSX Venture Exchange) (the “**Qualifying Transaction**”), are pleased to announce that EP has closed a brokered private placement of 4,684,000 units of EP (the “**EP Units**”) at a price of \$1.00 per EP Unit for aggregate gross proceeds of \$4,684,000 (the “**Private Placement**”). Each EP Unit was comprised of one class “A” share in the capital of EP (each, an “**EP Share**”) and one-half of one EP Share purchase warrant (each whole warrant, an “**EP Warrant**”). Each EP Warrant entitles the holder thereof to purchase one EP Share at a price of \$1.25 per EP Share at any time on or before January 21, 2024, subject to acceleration. The Private Placement replaces the private placement of subscription receipts of EP previously announced on October 15, 2021.

Cantor Fitzgerald Canada Corporation and ATB Capital Markets Inc. (together, the “**Lead Agents**”) acted as lead agents and joint bookrunners in connection with the Private Placement on behalf of a syndicate of agents that included Canaccord Genuity Corp., INFOR Financial Inc. and Research Capital Corporation (together with the Lead Agents, the “**Agents**”). As consideration for the services rendered by the Agents in connection with the Private Placement, EP paid the Agents a cash commission equal to 7.0% of the gross proceeds of the Private Placement (the “**Commission**”) and granted the Agents non-transferable broker warrants of EP to purchase such number of EP Shares as is equal to 7.0% of the number of EP Units sold in the Private Placement (the “**EP Broker Warrants**”). Each EP Broker Warrant entitles the holder thereof to purchase one EP Share at a price of \$1.00 per EP Share at any time on or before January 21, 2024. The Commission and the number of EP Broker Warrants were reduced to 3.5% on \$1,500,000 of the proceeds raised by EP. As additional consideration for the services rendered by the Lead Agents in connection with the Private Placement, EP paid each of the Lead Agents a corporate finance fee comprised of (i) cash in an amount to top up the portion of the Commission (including any step-up fee) otherwise payable to such Lead Agent to \$100,000, and (ii) \$200,000 in EP Shares at an indicative price of \$1.00 per EP Share.

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

The Private Placement was made by way of private placement in Canada pursuant to applicable exemptions from the prospectus requirements under applicable Canadian securities laws. The securities issued in connection with the Private Placement are subject to restrictions on resale under applicable Canadian securities laws for a period of four months and one day from the later of (i) the date of issuance of the securities and (ii) the date EP becomes a reporting issuer in any province or territory of Canada.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, or any state securities law, and may not be offered or sold in the United States absent registration or an exemption from such registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy in the United States nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Justify and EP are also pleased to announce that at the annual and special meeting of the shareholders of EP (the "EP Shareholders") held on December 28, 2021, the EP Shareholders passed a special resolution approving the amalgamation of EP with a wholly-owned subsidiary of Justify in connection with the Qualifying Transaction.

Justify and EP continue to work diligently to satisfy the requirements of the TSX Venture Exchange and completion of the Qualifying Transaction remains subject to a number of conditions precedent, including, but not limited to, acceptance of the TSX Venture Exchange and receipt of other applicable regulatory approvals. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Additional terms regarding the Qualifying Transaction were previously disclosed in the news releases of Justify and EP dated May 10, 2021, October 15, 2021, October 19, 2021 and December 10, 2021, which are available under Justify's SEDAR profile at www.sedar.com.

About Justify

Justify's principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. Investors are cautioned that trading in the securities of a capital pool company should be considered highly speculative.



About EP Financial

EP is a FinTech credit provider that offers credit and payment cards, payment processing, homeownership facilitation and collections services to serve an ecosystem of everyday people living in Canada and the United Kingdom.

EP is headquartered in Edmonton, Alberta. For more information on Everyday People Financial Inc., visit www.epfinancial.com and www.epphones.ca.

For Further Information:

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Cautionary Note Regarding Forward-Looking Statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: the use of proceeds of the Private Placement and the terms and conditions of the proposed Qualifying Transaction. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors, which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to, satisfaction or waiver of all applicable conditions to the completion of the Qualifying Transaction (including receipt of all necessary shareholder, stock exchange and regulatory approvals or consents, and the absence of material changes with respect to the parties and their respective businesses). 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. Justify and EP disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

All information contained in this news release with respect to Justify and EP was supplied by the respective party for inclusion herein, without independent review by the other party, and each party and its directors and officers have relied on the other party for any information concerning the other party.

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, acceptance of the TSX Venture Exchange and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.