

# BEACN WIZARDRY & MAGIC INC. AND BEACON HILL INNOVATIONS LTD. ANNOUNCE CLOSING OF QUALIFYING TRANSACTION

Vancouver, British Columbia –TheNewswire – October 29, 2021 – **BEACN Wizardry & Magic Inc.** (TSXV:BECN) (formerly Germinate Capital Ltd.) (“**BEACN**” or the “**Company**”) and Beacon Hill Innovations Ltd. (“**Target**”) are pleased to announce that they have completed their previously announced qualifying transaction (the “**Transaction**”) under TSX Venture Exchange (“**TSXV**”) Policy 2.4 – *Capital Pool Companies*.

The Transaction was completed by way of share exchange pursuant to which the Company has acquired all of the issued and outstanding shares in the capital of Target (“**Target Shares**”) in exchange for the issuance of 32,151,003 common shares in the capital of the Company (“**Shares**”) to the former shareholders of Target. The Company also issued 3,150,000 stock options (“**Options**”) of the Company to directors, officers, employees and consultants of the Company, with each Option exercisable to purchase one Share at a price of C\$0.30 until October 29, 2026.

A total of 8,001,000 Shares (“**Surplus Escrowed Securities**”) held by certain principals and other shareholders of the Company will be subject to the TSXV’s Tier 2 Surplus escrow requirements, with 5% of the Surplus Escrowed Securities to be released at the date of the Final Exchange Bulletin (the “**Exchange Bulletin**”) in respect of the Transaction and listing of the BEACN Shares on the TSXV (“**Listing**”), and 5%, 10%, 10%, 15%, 15% and 40% of the total Surplus Escrowed Securities to be released, respectively, at the 6th, 12th and 18th, 24th, 30th and 36th month anniversaries of the date of the Exchange Bulletin. A total of 5,750,000 Shares (“**Value Escrowed Securities**”) held by certain shareholders of the Company will be subject to the TSXV’s Tier 2 Value escrow requirements, with 10% of the Value Escrowed Securities to be released at the date of the Exchange Bulletin and 15% of the total Value Escrowed Securities to be released, every 6 months following the date of the Exchange Bulletin. A total of 2,300,000 Shares (“**CPC Escrowed Securities**”) held by certain current and former principals of the Company remain subject to the TSXV’s Capital Pool Company escrow requirements, with 25% of the CPC Escrowed Securities to be released at the date of the Exchange Bulletin and 25% of the total CPC Escrowed Securities to be released at each of the 6th, 12th and 18th anniversaries of the date of the Exchange Bulletin.

Upon closing of the Transaction, Craig Fraser was appointed as a director and chief executive officer of the Company, Daniel Davies was appointed as a director, president and chief technology officer of the Company and Robert J. Doyle was appointed as the chief financial officer and corporate secretary of the Company. In connection with the Transaction, Alexandre Heath resigned as a director of the Company, Winnie Wong resigned as chief financial officer and corporate secretary and Mark Brown resigned as chief executive officer of the Company but continues to serve as a director.

The Transaction and Listing is subject to final acceptance of the Transaction by the TSXV, which will occur upon the issuance of the Exchange Bulletin. Subject to final approval of the TSXV, the Company will no longer be a capital pool company, and the Company will be classified as a Tier 2 Technology Issuer pursuant to TSXV policies, trading under the symbol “BECN”. The Company anticipates issuance of the Exchange Bulletin by the TSXV today with the subsequent resumption of trading of the Shares on November 2, 2021.

## Conversion of Subscription Receipts

As previously disclosed in the news release of the Company dated September 23, 2021, the Company completed a non-brokered private placement financing of 5,000,000 subscription receipts (each, a **“Subscription Receipt”**) at a price of C\$0.30 per Subscription Receipt for gross proceeds of C\$1,500,000 (the **“Offering”**).

Today the Subscription Receipts automatically converted (**“Conversion”**) into 5,000,000 units of BECN (the **“Units”**). Each Unit consists of one (1) Share and one-half (1/2) of one common share purchase warrant of BECN (each, a **“Warrant”**), with each whole Warrant exercisable into one (1) Share at a price of C\$0.60 for a period of 24 months from the date of issuance. BECN intends to use the proceeds of the Offering for marketing, research and development and general working capital purposes. The Units and all securities issuable thereunder are subject to a four-month hold period under applicable Canadian securities laws expiring on January 24, 2022.

At Conversion, the Company also paid to certain arm’s length finders an aggregate cash finder’s fee in connection with the Offering of \$23,242.52 and 77,475 non-transferrable warrants (**“Finder Warrants”**). Each Finder Warrant is exercisable for one Share (**“Finder Warrant Share”**) at an exercise price of C\$0.30 for a period of 24 months from the date of issuance. The Finder Warrants and Finder Warrant Shares are subject to a four-month hold period expiring on March 1, 2022.

## Name Change and Filing Statement

The Company also announces that effective October 28, 2021, the Company’s name changed from “Germinate Capital Ltd.” to “BEACN Wizardry & Magic Inc.”

For more information regarding the Transaction, the Offering and the change of the Company’s name, please refer to the filing statement of the Company dated October 25, 2021 (the **“Filing Statement”**) filed under the Company’s previous name of “Germinate Capital Ltd.” and available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

## Early Warning Disclosure Pursuant to National Instrument 62-103

Immediately prior to closing of the Transaction, James Elliott held no Shares of the Company. Upon closing of the Transaction and conversion of the Subscription Receipts, Mr. Elliott acquired, directly or indirectly, or exercises control or direction over, an aggregate of 8,509,334 Shares and 38,500 Warrants, representing approximately 19.89% of the issued and outstanding Shares on a non-diluted basis and 16.80% of the issued and outstanding Shares on a fully-diluted basis. Mr. Elliott may in the future take such actions in respect of his holdings as he deems appropriate in light of the circumstances then existing, including the purchase of additional shares or other securities of the Company through open market purchases or privately negotiated transactions, or the sale of all or a portion of his holdings in the open market or in privately negotiated transactions to one or more purchasers.

The Company’s head office is located at #301-3450 Uptown Blvd., Victoria, British Columbia, V8Z 0B9. A copy of the Early Warning Report prepared in connection with the acquisition of the Shares by Mr. Elliott can be obtained on the Company’s SEDAR profile or by contacting Mark T. Brown at (604)-687-3520.

For further information, please contact:

## **BEACN Wizardry & Magic Inc.**

Mark T. Brown, Director

Email: [mtbrown@pacificopportunity.com](mailto:mtbrown@pacificopportunity.com)

Telephone: (604)-687-3520

### **Reader Advisory**

*Certain information set forth in this news release contains forward-looking statements or information (“**forward-looking statements**”), including details about the Transaction, the Company’s listing on the TSXV and anticipated timing thereof, receipt of all required regulatory and TSXV approvals, the proposed use of proceeds from the Offering and the anticipated resumption of trading of the Shares. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation’s control, including those set out in the Filing Statement available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Although the Company believes that the expectations in its forward-looking statements are reasonable, its forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements, as no assurance can be provided as to future results, levels of activity or achievements. Risks, uncertainties, material assumptions and other factors that could affect actual results are discussed the Filing Statement available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, the Company does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.*

*Neither the 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 release.*

Copyright (c) 2021 TheNewswire – All rights reserved.