

SEVEN OAKS CAPITAL CORP. ANNOUNCES QUALIFYING TRANSACTION WITH RIMON HEDGE FUNDS LTD.

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TORONTO, Feb. 1, 2023 /CNW/ - Seven Oaks Capital Corp. (TSXV: SEVN.P) (the **Company**" or **"Seven Oaks"**) is pleased to announce that it has entered into a binding letter agreement dated January 29, 2023 (the **"Definitive Agreement"**) with Rimon Hedge Funds Ltd. (**"Rimon"**) and Michal Adlersberg, the controlling shareholder of Rimon, pursuant to which Seven Oaks has agreed to acquire all of the issued and outstanding common shares in the capital of Rimon (the **"Rimon Shares"**) upon the terms and conditions set out in the Definitive Agreement (the **"Proposed Transaction"**). The Proposed Transaction is expected to constitute Seven Oaks' Qualifying Transaction as defined in Policy 2.4 of the TSX Venture Exchange (the **"Exchange"**). Following the completion of the Proposed Transaction, Seven Oaks (the **"Resulting Issuer"**) will continue the business of Rimon, being investment fund management services provided as a general partner for current and future limited partnerships and for the investment of funds raised by the Company, including the development of varied investment strategies, and the provision of hedging or liquidity tools and support systems for trading (the **"Business"**).

About Rimon

Rimon was incorporated on June 2, 2016 in Israel pursuant to the provisions of the *Israeli Companies Law 1999*, and has its head office located in Tel Aviv, Israel.

Rimon primarily trades in contracts for difference with underlying assets typically forex pairs, select commodities and indices tied to the real economy through its two hedge funds, Hetmed Hedge Fund Limited Partnership and Mango Hedge Fund Limited Partnership. Rimon's strategy consists of opening counter trading positions and providing hedging and liquidity tools for various regulated brokers around the world, predominantly in the United Kingdom and the European Union, thereby hedging the risk of its various investments.

For the year ending December 31, 2022, Rimon had revenues of US \$7,909,993, net profits of US \$3,353,034, assets of US \$4,529,276 and liabilities of US \$966,421. For the year ending December 31, 2021, Rimon had revenues of US \$2,959,555, net profits of US \$1,273,068, assets of US \$3,857,760, and liabilities of US \$2,366,326. The foregoing audited (2021) and unaudited (2022) financial information was not prepared in accordance with *International Financial Reporting Standards*.

The Qualifying Transaction

Pursuant to the Definitive Agreement, Seven Oaks has agreed to acquire all of the issued and outstanding Rimon Shares by way of a share exchange (the **"Share Exchange"**). While it is intended that the Proposed Transaction will be completed by way of the Share Exchange, the final acquisition structure may be revised by Rimon to accommodate efficiencies for various legal structures, tax and accounting treatment and securities regulation. The Proposed Transaction will constitute a reverse take-over of Seven Oaks by shareholders of Rimon (the **"Rimon Shareholders"**).

As consideration for the completion of the Proposed Transaction, existing Rimon Shareholders will receive such number of common shares of the Resulting Issuer (each, a **"Resulting Issuer Share"**)

that results in, on a non-diluted basis immediately following the completion of the Proposed Transaction: (a) the Rimon Shareholders holding 80% of the issued and outstanding Resulting Issuer Shares; (b) existing holders (the "**Seven Oaks Shareholders**") of common shares in the capital of Seven Oaks ("**Seven Oaks Shares**") holding 6.7% of the issued and outstanding Resulting Issuer Shares; and (c) holders of Subscription Receipts (as defined below) acquired in connection with the Concurrent Financing (as defined below) holding, upon exchange of their Subscription Receipts, 13.3% of the issued and outstanding Resulting Issuer Shares (the "**Exchange Ratio**"). Any outstanding options, warrants or other exchangeable or convertible securities of Rimon will be exchanged, based on the Exchange Ratio, for similar securities of the Resulting Issuer on substantially similar terms and conditions.

The current issued and outstanding share capital of Seven Oaks consists of 11,600,000 Seven Oaks Shares, options to purchase an additional 750,000 Seven Oaks Shares, and compensation options exercisable into 350,000 Seven Oaks Shares, for a fully-diluted share capital of 12,700,000 Seven Oaks Shares. There are currently 110 Rimon Shares issued and outstanding, and currently there are no outstanding options, warrants or other securities exercisable or convertible into Rimon Shares.

Upon completion of the Proposed Transaction, it is the intention of the parties that Seven Oaks will be renamed "Rimon Funds Ltd." or such other name as may be determined by the parties and accepted by applicable regulatory authorities (the "**Name Change**").

Seven Oaks and Rimon will provide further details in respect of the Proposed Transaction in due course by way of press release.

Concurrent Financing

Rimon intends to complete one or more brokered and/or non-brokered private placements of subscription receipts ("**Subscription Receipts**") for minimum proceeds of US\$5,000,000, convertible into Resulting Issuer Shares, and up to an additional US\$15,000,000, but no less than US\$2,500,000, convertible into preferred shares of the Resulting Issuer (the "**Concurrent Financing**"). Concurrently with the completion of the Proposed Transaction, it is expected that the Subscription Receipts will be automatically exchanged, for no additional consideration and without requiring any further consent of the holders thereof, into either Resulting Issuer Shares or preferred shares of the Resulting Issuer, as applicable. The Concurrent Financing shall be completed within ninety (90) days of the execution of the Definitive Agreement. The full terms of the Concurrent Financing will be provided in a future press release in advance of closing the Concurrent Financing.

Directors And Officers of The Resulting Issuer

Subject to the approval of the Exchange, on completion of the Proposed Transaction, it is currently expected that the board of directors and officers of the Resulting Issuer will be reconstituted. The proposed officers of the Resulting Issuer are expected to include Michal Adlersberg (Chief Executive Officer), Grant McLeod (Chief Operating Officer), David Redekop (Chief Financial Officer), and the proposed directors of the Resulting Issuer are expected to include Michal Adlersberg, Grant McLeod, Myles Fontaine, Daniel Bloch (independent), Monique Hutchins (independent and corporate secretary), and Dexter John (independent). In addition to such directors and officers, the directors and officers of the Resulting Issuer may include such additional individuals as Seven Oaks and Rimon may determine.

The following sets out the names and backgrounds of the currently proposed directors and officers of the Resulting Issuer:

Michal Adlersberg, Chief Executive Officer and Director

Michal is an active and inspiring leader with over four decades of experience in business and leading

teams in a variety of sectors, including procurement and logistics, marketing, real estate, and medical. Michal founded Rimon in 2016 and has since led the growth of its two funds while managing a team of highly capable professionals providing back-office support and trading strategies and analysis. Michal has led the development and implementation of Rimon's fundraising efforts and is responsible for the establishment and maintenance of high level relationships with a variety of professional service providers, including fund administrators, lawyers and auditors. Michal is responsible for overseeing all internal control, compliance and reporting functions and for ensuring conformity with regulatory requirements. Michal graduated from the College of Management and Academic Studies, Israel in 1979.

Grant McLeod, Chief Operating Officer and Director

Grant has an 18-year track record of successfully developing and implementing governance structures to establish, transition, and improve organizations. He has been General Counsel and corporate secretary for several publicly traded and private companies and led complex restructurings. Grant has led corporate financings in relation to his work with an Investment Industry Regulatory Organization of Canada (IIROC) investment dealer of which he was the Chief Executive Officer, Ultimate Designated Person, and the acting Chief Compliance Officer. He has conducted extensive merger and acquisition due diligence and negotiations. He has completed the Canadian Securities Course, and Partners, Directors and Senior Officers course and has provided capital markets advice and legal services on a variety of mandates.

Grant has provided strategic governance advice to high-ranking officials, including the Prime Minister of Canada, Cabinet, parliamentary committees, U.S. government officials, ambassadors, and other high-ranking diplomats. He has participated as an expert on projects involving work in Afghanistan, Moldova, Vietnam, Ukraine, Colombia, Europe, and the Middle East.

Grant has been a member of the Law Society of Ontario since 2005. He received his Juris Doctor from the University of Toronto and a Bachelor of Arts from the University of Calgary. He has also received executive training in organizational planning, complex project management, managing funds, procurement, negotiation, and conflict management. Grant has won several awards and commendations for his achievements. He is a proud member of the Manitoba Metis Federation.

David Redekop, Chief Financial Officer

David has an extensive entrepreneurial background with over twenty years of experience with start-up companies; corporate and public company leadership and management; transaction structuring; debt and equity financing; business, technology and product development with specific experience in the manufacturing, mineral exploration, transportation, and technologies businesses.

David was previously Chief Financial Officer and Chief Corporate Development Officer for Decisive Dividend Corporation; Chief Financial Officer for Cirond Networks Inc., a wireless solutions and security business enterprises and publicly listed on the OTC Bulletin Board (OTCBB); Chief Financial Officer and Director for Hawkair Aviation Services Ltd, an airline operating business; and Controller for Workfire Technologies, an internet start-up venture that he co-founded and sold for approximately \$150 million to Packeteer, Inc., a company listed on the NASDAQ Stock Market. David has a Bachelor of Commerce Degree from the University of Calgary and is a Chartered Professional Accountant (CPA, CA).

Myles Fontaine, Director

Myles is a passionate business development and investor relations professional with over two decades of experience establishing and maintaining buy-side and sale-side relationships. Myles is the co-founder of Seven Oaks Venture Corp. (formerly, Integrity Analytics Inc.), a corporate governance firm providing strategic advice, governance principles and structures to growth stage

companies looking to access capital markets. In his role he is consistently sourcing and building relationships with investors and high growth companies utilizing an extensive network of incubators, accelerators, angel funds, and private family offices. Myles has successfully developed and implemented strategies and drafted numerous communications strategically focused to resonate with potential partners and investors.

Previously, Myles was responsible for developing cannabis distribution channels for a licensed producer of cannabis, resulting in millions of dollars in sales and successfully making the brand first to market. He has been the Vice President of Sales for a publicly traded company where he developed a national sales strategy, negotiated buy-side and sale-side agreements, monitored sell-through rates, and managed key buyer relationships.

Dexter John, Independent Director

Dexter is the Chief Executive Officer of Morrow Sodali Canada. Dexter is responsible for the North American business where he leads a team of experienced governance and financial professionals. With over 25 years of experience in capital markets, Dexter has a strong knowledge of corporate law and a thorough understanding of financial markets. From his work at major Canadian law firms, boutique investment banks to his tenure at the Investment Dealers Association, Ontario Securities Commission and the Toronto Stock Exchange, Dexter has a strong public equities market background as well as significant regulatory experience.

Dexter's career as a director and board advisor spans more than 10 years. He was the Chairman of Partners Real Estate Investment Trust, director of Augustine Ventures Inc. (now Red Pine Exploration Inc.). Dexter currently sits on the board of Organigram Holdings Inc. where he is a member of the Audit Committee, Nominating and Governance Committee and Chair of the Investment Committee and he was recently appointed to the board of the Financial Services Regulatory Authority (Ontario).

Dexter holds the ICD.D designation and received his law degree from Queen's University and holds a Mathematics for Commerce degree from York University.

Daniel Bloch, Independent Director

Daniel Bloch is a member of the Law Society of Ontario for over 23 years. Daniel's practice is global in nature and focuses on domestic and international matters in all areas of corporate finance, mergers and acquisitions, joint ventures, private equity and securities law. Daniel has advised on joint ventures and partnership structures in over 20 countries.

Daniel regularly travels to South Africa, Europe and North America, where he has lectured on matters relating to financing structures for international joint ventures and the financing of oil and gas exploration projects. Daniel's extensive global energy and negotiation experience enables him to manage complex commercial relationships.

In addition to his international commercial practice, Daniel regularly represents and provides general corporate and securities law advice to publicly and privately held entities ranging in size from start up to those with established multi-national operations. He has counseled on transactions in excess of \$3 billion in various industry sectors, including natural resources and technology. Daniel has served as a both an officer and director of Canadian and U.S. publicly listed companies.

Monique Hutchins, Independent Director and Corporate Secretary

Monique is the Managing Director of DSA Corporate Services Inc., a company that provides corporate secretarial services to private and publicly listed companies. Monique was previously director of business development and marketing and assistant corporate secretary at Independent Review Inc., a company that reviews conflicts of interest in accordance with NI 81-107 *Independent*

Review Committee for Investment Funds. Prior to this, she held governance leadership roles at Institutional Shareholder Services and Kingsdale Shareholder Services. Monique is a director and member of the Compensation and Governance Committee of the board of directors of ApartmentLove Inc. (CSE: APLV) (OTCBQ: APMLF) and a member of the Independent Review Committee at Emerge Canada Inc., Monique acts as Corporate Secretary of the following issuers: Evergold Corp. (TSXV: EVER), Largo Physical Vanadium (TSXV: LPV), Orford Mining Corporation (TSXV: ORM), Rock Tech Lithium Inc. (TSXV: RCK), Silver Mountain Resources Inc (TSXV: AGMR) (OTCBQ: AGMRF), Solar Alliance Energy Inc. (TSXV: SOLR) (OTCBQ: SAENF), Tintina Mines Limited (TSXV: TTS), Class 1 Nickel and Technologies Limited (CSE: NICO) (OTCQB: NICLF), (CSE: Labrador Uranium Inc. (CSE: LUR) (OTCQB: LURAF), Leef Brands Inc. (CSE: LEEF), and MyndTech Inc. (CSE: MYTC). Previously, Monique held roles as chairperson and secretary of the board of directors for a non-for-profit organization.

Monique received her bachelor's degree in Commerce from Concordia University and a business management certificate from McGill University and is a member of the Chartered Governance Institute of Canada and Governance Professionals of Canada.

Significant Conditions To Closing

The completion of the Proposed Transaction is subject to a number of conditions precedent, including but not limited to satisfactory due diligence reviews, negotiation and execution of definitive transaction documentation, approval by both boards of directors of Seven Oaks and Rimon, approvals and/or consents, as applicable, of Rimon Shareholders and Seven Oaks Shareholders, obtaining necessary third party approvals, including Exchange acceptance and approvals of the applicable securities regulatory authorities (including the issuance of a receipt by the Ontario Securities Commission for a long-form prospectus), and the completion of the Concurrent Financing. There can be no assurance that the Concurrent Financing or the Proposed Transaction will be completed as proposed or at all.

Arm's Length Qualifying Transaction

The Proposed Transaction is not expected to constitute a non-arm's length Qualifying Transaction or a related party transaction pursuant to the policies of the Exchange.

Sponsor

The Company has initiated discussions with a potential sponsor to act as sponsor for the Proposed Transaction, to the extent necessary. The terms of the any sponsorship, if any, will be announced after the execution of an agreement to sponsor.

Additional Information

The common shares of Seven Oaks are currently halted from trading pending completion of the Proposed Transaction.

Additional information will follow as the Proposed Transaction progresses and a long form prospectus will be prepared and filed in accordance with the policies of the Exchange.

All information contained in this press release with respect to Seven Oaks and Rimon was supplied by the parties respectively, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

Appointment of Director

Seven Oaks also announces that Ms. Monique Hutchins has been appointed as a new independent director and member of the audit committee of the board of directors (the "**Audit Committee**") of

the Company. Ms. Hutchins replaces Ms. Karen Azlen as a director and member of the Audit Committee, who resigned as of January 30, 2023. A detailed biography for Ms. Hutchins can be found under the "Directors and Officers of the Resulting Issuer" heading of this press release.

About Seven Oaks Capital Corp.

Seven Oaks is a capital pool company created pursuant to the policies of the Exchange. It does not own any assets, other than cash or cash equivalents and its rights under the Definitive Agreement. The principal business of Seven Oaks is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to acceptance by the Exchange so as to complete a Qualifying Transaction in accordance with the policies of the Exchange.

Cautionary Notes

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Seven Oaks' securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed 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 Proposed Transaction, any information released or received with respect to the Proposed 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 press release.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in Israel. Seven Oaks' securities have not been and will not be registered under the Israeli Securities Law, 1968, as amended (the "Israeli Securities Law") and may not be offered or sold within the state of Israel or to an Israeli Persons unless registered under the Israeli Securities Law or an exemption from such registration is available.

Forward-Looking Statements

This news release contains statements that constitute "forward-looking statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause Seven Oaks' actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur.

Forward-looking statements in this document include, among others, statements relating to expectations regarding the terms, conditions, structure and completion of the Proposed Transaction

(including all required approvals), including the Exchange Ratio, the Concurrent Financing, the business plans of the Resulting Issuer, the anticipated completion of the Proposed Transaction, the proposed directors and officers of the Resulting Issuer, the completion of the Name Change, statements related to sponsorship under the policies of the Exchange; and other statements that are not historical facts. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors and risks include, among others: (a) that there is no assurance that the parties hereto will obtain the requisite director, shareholder, regulatory and Exchange approvals for the Proposed Transaction; (b) there is no assurance that the Concurrent Financing will be completed or as to the actual offering price or gross proceeds to be raised in connection with the Concurrent Financing; (c) following completion of the Proposed Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations which may not be available when needed or on acceptable terms and conditions acceptable; (d) compliance with government regulation; (e) domestic and foreign laws and regulations could adversely affect the Resulting Issuer's Business and results of operations; and (f) the stock markets have experienced volatility that often has been unrelated to the performance of companies and these fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance.

The forward-looking information contained in this news release represents the expectations of Seven Oaks as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Seven Oaks undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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CNW 08:00e 01-FEB-23