

## 4 TOUCHDOWNS CAPITAL INC.

### PRESS RELEASE

---

#### 4 TOUCHDOWNS AND 5D NETWORKS INC. ANNOUNCE PROPOSED QUALIFYING TRANSACTION AND CORPORATE UPDATES

**Vancouver, BC: February 26, 2024** – 4 Touchdowns Capital Inc. (“**4TD**”) and 5D Networks Inc. (“**5D**” or the “**Company**”) are pleased to announce that they have entered into a binding letter of intent to complete a business combination (the “**Transaction**”). The letter of intent was negotiated at arm’s length and is effective as of February 8th, 2024.

#### INFORMATION CONCERNING THE PROPOSED TRANSACTION

4TD and 5D will enter into a business combination by way of an amalgamation, share exchange, arrangement or other similar form of Transaction which will result in 5D combining its corporate existence with that of 4TD. The parties agree that the final structure of the business combination is subject to receipt of tax, corporate and securities law advice for both 4TD and 5D.

The authorized share capital of 4TD currently consists of an unlimited number of common shares (the “**4TD Shares**”) without par value, of which a total of 37,248,984 4TD Shares are issued and outstanding and no other 4TD Shares are reserved for issuance.

5D currently has 31,335,000 common shares issued and outstanding (the “**5D Shares**”) and will have no more than 32,000,000 shares outstanding on a fully diluted basis for the purposes of this transaction.

4TD will issue 31,335,000 new shares at the price of \$0.05 per share to acquire the outstanding 5D Shares representing a total equity value of \$1,566,750 on a fully diluted basis.

Further, it is contemplated that in conjunction with the listing on a recognized stock exchange, the resulting entity will complete a non-brokered private placement financing of up to \$2,500,000 on terms to be mutually agreed upon by the parties (the “**Listing Concurrent Financing**”).

#### Financing

Immediately upon execution of this binding Letter of Intent, in order to finance the contemplated transaction, 4TD will complete a non-brokered private placement consisting of the issuance of up to 10,000,000 shares (pre-consolidation) of 4TD issued at a price of \$0.05 per share for gross proceeds of up to \$500,000, (the “**LOI Concurrent Financing**”).

Upon completion of the LOI Concurrent Financing and prior to completion of the Business Combination, 4TD will agree to make a secured loan of a sum equivalent of up to 50% of the proceeds of the LOI Concurrent Financing to 5D (the “**Loan**”). The Loan will be evidenced by way of secured note and general security agreement against the assets of 5D and will bear interest at a rate of 6% per annum. The parties hereto may agree to advance additional funds to 5D during the course of the Transaction.

#### Shareholders’ Special Meeting

In connection with the business combination, to the extent necessary, 4TD will call a general and special meeting of its shareholders in order to: (i) approve the change of its name to “5D Networks Inc.”, or such other name as the board of directors determine; (ii) approve the consolidation of the 4TD Shares on the basis of five (5) pre-consolidated 4TD Shares for one (1) post-consolidated 4TD (the “**4TD Consolidation**”); and (iii) approve such

other things as is necessary to complete the business combination and comply with its continuous disclosure obligations.

Further, 5D will call a special meeting of its shareholders in order to approve any such things as is necessary to complete the business combination.

### Board Of Directors And Officers

Upon closing of the contemplated Transaction, board of directors of 4TD will consist of five (5) directors, three (3) of whom will be nominated by 4TD and two (2) of which will be nominated by 5D. The officers of the resulting company will be appointed by the board of directors.

### About 5D Networks Inc.

5D is an Advanced Internet Service Provider (ISP) including connectivity via DSL, cable, fibre optic, guest Wi-Fi service, email, and web hosting. 5D is focused on providing connected Fibre Optic services to smaller underserved communities, initially in BC and Alberta, and subsequently across Canada. With these combined services, the result is a comprehensive Internet Service Provider allowing 5D to offer a unique service for this new era in technology. By building their own infrastructure, 5D creates captive markets in rural areas, and this allows them the same margins as the major telecom providers. 5D provides a full suite of offerings for their business-to-business (B2B) clients and allows small businesses that cannot afford a full-time IT person to run efficiently.

Moreover, 5D has a full set of tools allowing them to remotely manage and monitor customer networks. 5D also has client-side apps that allow their end users to manage their own internal networks. This product is called 5D Cloud, developed in-house. 5D Cloud is available in Android and IOS app stores in Canada.

## **CORPORATE UPDATES**

The Company is pleased to announce that Sebastian Tang, CPA has joined the Board effective February 15, 2024. Mr. Tang is a Chartered Professional Accountant (CPA-CA), Chartered Alternative Investment Analyst (CAIA) and holds a bachelor's degree in mechanical engineering. He has more than 20 years of experience in financial controllership, public company financial audit, financial due diligence, project financing and Canadian tax. Formerly he held the position of financial controller Hunter Dickinson Inc. and senior auditor with Ernst Young LLP.

Also, Steve Cozine, director, has been acting as the Corporate Secretary and Chief Financial Officer of 4TD since July 14, 2023.

## **TERMINATION OF OCEAN TROUT TRANSACTION**

4TD and Ocean Trout Canada Inc. ("**OTC**") have mutually terminated their binding letter of intent to complete a business combination on October 19, 2023, which was originally entered into on March 22, 2021, and any and all agreements entered in connection thereof were terminated as well (the "**OTC Transaction**"), as a result of continuous delays by OTC over the past several years in consummating the business combination with 4TD, and OTC ultimately determining that they did not wish to proceed. As a result of this termination, a settlement between the parties was reached and OTC will issue to 4TD, as soon as practical, 1,400,000 common shares in the share capital of OTC ("**OTC Shares**"), of which 200,000 OTC shares will be issued as bonus shares, at a price of \$0.75 per OTC Share as consideration for entering into the settlement and satisfying OTC's indebtedness towards 4TD, which was incurred in connection with the OTC Transaction. OTC has also repaid to 4TD an amount of \$180,000 in cash and a final amount of \$60,000 is due to be paid on February 29, 2024.

No action can be taken by 4TD regarding the OTC Shares, without the prior consent of OTC, for a period commencing on the date of the issue of the OTC Shares to 4TD until the date which is 90 days after OTC

or a successor company becomes a reporting issuer. 4TD is actively working with OTC in order to be issued its OTC Shares and wishes OTC luck in their endeavours to become a reporting issuer in Canada by way of a legal vehicle.

The OTC Shares will optimize 4TD's balance sheet and 4TD is optimistic about its listing on a recognized stock exchange's prospect. As the OTC Transaction became an untenable feat for both parties, 4TD's business objectives remain clear and hopes to accomplish its listing on a recognized stock exchange with 5D as expeditiously as possible, the whole in the best interest of 4TD and its shareholders.

## **ON BEHALF OF THE BOARD**

**Robert Rosner**  
*President & CEO*

Further information regarding the Company can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), or by contacting the Company directly at (604) 637-2101 or by e-mail at [info@4touchdowns.com](mailto:info@4touchdowns.com).

*All statements contained in this press release about anticipated future events constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate" and "expect". Forward-looking statements are subject to business risks, uncertainties, and other factors that could cause actual results to differ materially from those contained in the forward-looking statements. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. The Company does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change except as required by applicable laws. Investors should not place undue reliance on forward-looking statements. No Canadian securities exchange nor any regulation services provider accepts responsibility for the adequacy or accuracy of this release.*

We seek safe harbour.

1010 - 789 West Pender Street, Vancouver, BC. V6H 1H2

(604) 637-2101