

# Tradewind Provides Update on Reverse Take-Over of Leonovus and \$4 Million Brokered Financing

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- Tradewind is a digital gold trading exchange backed by physical gold and silver currently with digitized ownership of over \$261 million (US\$182 million) in physical metals held at the **Royal Canadian Mint**.
- Non-security product through blockchain technology by tokenizing physical gold securely on the Tradewind blockchain.
- Tradewind's platform is based on the latest blockchain technology enabling seamless tokenized gold investment and trade transactions.

TORONTO, March 11, 2025 /CNW/ - [Wellfield Technologies Inc.](#) (TSXV: WFLD) (OTCQB: WFLDF) (FSE: K8D) ("**Wellfield**") and Leonovus Inc. (TSXV: LTV) ("**Leonovus**") announces reverse take-over transaction pursuant to the definitive agreement (the "**Definitive Agreement**"), outlining the terms upon which Leonovus will acquire all of the issued and outstanding common shares in the capital of Tradewind Markets Inc. ("**Tradewind**"), a wholly-owned subsidiary of Wellfield incorporated under the laws of Delaware, to Leonovus in exchange for an aggregate of 562,500,000 pre-consolidated common shares in the capital of Leonovus (the "**Leonovus Shares**") (corresponding to 36,000,000 Leonovus Shares on a post-consolidation basis), which will result in a "Reverse Take-Over" of Leonovus (the "**RTO**") under the policies of the TSX Venture Exchange (the "**TSXV**"). In connection with the completion of the RTO, Leonovus will change its name to "**Tradewind Precious Metals Exchange Inc.**" (the "**Resulting Issuer**"), or such other name as may be determined by the parties and approved by the TSXV.

In connection with the RTO, Leonovus and 1000997809 Ontario Inc. ("**FinanceCo**"), a wholly-owned subsidiary of Leonovus, have entered into an agreement with Research Capital Corporation as the sole agent and sole bookrunner (the "**Agent**") for a private placement offering (the "**Offering**"), on a commercially reasonable efforts basis, of a combination of securities for minimum aggregate gross proceeds of C\$4,000,000, and a minimum issuance of 8,000,000 FinanceCo Shares upon the satisfaction of the Escrow Release Conditions, consisting of:

- (i) debt equity subscription receipts of FinanceCo ("**Debt Equity Subscription Receipts**") at a price of C\$2,000 per Debt Equity Subscription Receipt; and
- (ii) equity subscription receipts of FinanceCo ("**Equity Subscription Receipts**") at a price of C\$0.50 per Equity Subscription Receipt.

Certain directors, officers and close associates of Leonovus forming part of a **president's list** are expected to subscribe into the Offering alongside investors for approximately **C\$2,000,000**. The Offering is subject to customary closing conditions, including the approval of the TSXV.

Each Debt Equity Subscription Receipt will entitle the holder thereof, without payment of any additional consideration and without further action on the part of the holder, upon the satisfaction of the Escrow Release Conditions (as defined herein) to receive one debt equity unit of FinanceCo (a "**Debt Equity Unit**"). Each Debt Equity Unit will consist of: (i) one secured 14% convertible debenture ("**Convertible Debenture**") with a principal face value of C\$1,000 per Convertible Debenture; (ii) 2,000 common shares of FinanceCo (an "**FinanceCo Share**"); and (iii) 3,600 common share purchase warrants of FinanceCo (the "**Warrants**"). The Convertible Debentures will be secured upon closing of the RTO by a security agreement granting a first ranking security interest in the physical gold purchased by the Resulting Issuer using the proceeds of the Offering in the amount of C\$1,000 per Debt Equity Unit issued, being 50% of the proceeds of the Offering received.

The Resulting Issuer may not issue any further securities that rank senior or *pari-passu* to the Convertible Debentures.

Each Equity Subscription Receipt will entitle the holder thereof, without payment of any additional consideration and without further action on the part of the holder, upon the satisfaction of the Escrow Release Conditions to receive one equity unit of FinanceCo ("**Equity Unit**"). Each Equity Unit will consist of one FinanceCo Share and one Warrant.

Each Warrant will entitle the holder to purchase one FinanceCo Share (a "**Warrant Share**") at an exercise price of C\$0.625 per Warrant Share until the date that is 60 months following the satisfaction or waiver of the Escrow Release Conditions.

The Convertible Debentures will mature in 60 months following the satisfaction or waiver of the Escrow Release Conditions (the "**Maturity Date**"). The principal amount of each Convertible Debenture shall be convertible, for no additional consideration, into FinanceCo Shares at the option of the holder at any time prior to the Maturity Date at a Conversion Price equal to C\$0.625 per FinanceCo Share (the "**Conversion Price**"), subject to customary adjustments.

The Convertible Debentures shall bear interest at a rate of 14% per annum from the date of issue, payable quarterly in arrears on the last day of March, June, September and December in each year, except for the first interest payment that will be accrued and payable on the date that is 6 months from the closing date of the Offering, and thereafter payable on a quarterly basis.

The Resulting Issuer Shares to be issued upon the conversion of the Debt Equity Subscription Receipts and Equity Subscription Receipts will be freely tradeable upon the closing of the RTO. In addition, Leonovus and FinanceCo will use commercial reasonable efforts to obtain the necessary approvals to list the Convertible Debentures and Warrants that will be exchanged for warrants of the Resulting Issuer (as defined herein) ("**Resulting Issuer Warrants**") on the TSXV. Any listing of the Warrants or Convertible Debentures is subject to the approval of the TSXV and the Resulting Issuer meeting the requirements for listing on the TSXV. Further details of the Offering are provided in the section below entitled, "Financing Details" in this press release.

As part of the RTO it is intended that, among other things: (i) the Debt Equity Subscription Receipts and Equity Subscription Receipts will be converted into the underlying securities of the Debt Equity Units and Equity Units, respectively; (ii) all the outstanding FinanceCo Shares will ultimately be exchanged for common shares of Leonovus (the "**Resulting Issuer Shares**"); (iii) prior to the exchange of all outstanding FinanceCo Shares for the Resulting Issuer Shares, the Resulting Issuer Shares will be consolidated on the basis of one new Resulting Issuer Share for every 15.625 existing Resulting Issuer Shares (the "**Share Consolidation**"); (iv) each Warrant and each broker warrant will be exchanged for one warrant and one broker warrant, respectively, of the Resulting Issuer; (v) upon closing of the RTO, the Resulting Issuer will issue 36,000,000 Resulting Issuer Shares to Wellfield; and (vi) Leonovus will change its name ("**Name Change**") to "**Tradewind Precious Metals Exchange Inc.**" as the Resulting Issuer.

## **THE RESULTING ISSUER: TRADEWIND PRECIOUS METALS EXCHANGE INC.**

### **Tradewind: Transforming Gold Ownership and Trading**

On August 30, 2017, Tradewind and the Royal Canadian Mint (the "**RCM**") signed a comprehensive custody agreement, which agreement leverages Tradewind's digital asset infrastructure, the Tradewind blockchain, and the RCM's expertise in managing precious metals such as gold and silver. The collaboration between Tradewind and the RCM represents a significant step for the precious metals industry. By integrating the Tradewind blockchain-based ledger with the RCM's trusted expertise in securely storing and managing precious metals, this relationship delivers transparency, security, and efficiency. Key benefits include improved security measures, streamlined

transaction processes, and innovative solutions that will drive growth and provide value to Tradewind's clients. As of January 3, 2025, the Tradewind blockchain digitizes almost 40,000 ounces of gold and over 2.2 million ounces of silver owned by customers of custodial participants, representing over \$261 million (US\$182 million) in value. Tradewind's customers benefit from enhanced security protocols, increased transaction speed, and access to a broader range of digital asset services. This initiative benefits all stakeholders, from individual investors to institutional traders, while setting new standards for the industry.

Tradewind is redefining precious metals trading with its blockchain-enabled platform, delivering the lowest trading costs, while ensuring the highest quality gold, securely custodied by the RCM, further enhancing confidence and trust for market participants.

It is expected that gold dealers, family offices, institutions, and retail customers will be able to use the Tradewind platform directly from their desktop, greatly simplifying the historically complex process of buying gold. Tradewind's user-friendly platform eliminates inefficiencies while providing access to secure and trusted precious metals trading.

At the core of this innovation is Tradewind's flagship product, VaultChain Gold™, the first platform to combine digitized gold ownership with the credibility of a sovereign mint. This integration ensures transparency, security, and authenticity, enabling investors to enjoy the stability and safety of physical gold ownership while leveraging the efficiency of digital trading.

Building on its success, Tradewind will soon launch an innovative blockchain based platform, which will enable seamless trading of tokenized gold against digitized USD, creating a highly liquid and transparent marketplace. Subject to regulatory approval, Tradewind's platform also introduces the ability for investors to earn yield on their gold holdings, an industry first.

Tradewind is uniquely positioned to capitalize on the vast potential of the gold market, which sees an average of US\$227 billion in daily trading volumes according to the World Gold Council. By combining its blockchain infrastructure with the RCM's trusted custodial expertise, Tradewind is well positioned to provide investors with a solution that will reduce costs by eliminating middlemen, enhancing trust with the highest quality gold, and subject to regulatory approval, unlocking new financial opportunities through yield-generating products.

Tradewind's secure and accessible platform serves a global customer base, requiring onboarding compliance, and is designed to meet the needs of individual and institutional investors alike. Tradewind is working to modernize precious metals trading as the gold market continues to grow in the face of economic uncertainty, with the goal of capturing a significant share of this evolving market.

## **SUPPORT AGREEMENT WITH WELLFIELD TECHNOLOGIES**

In connection with the RTO, Tradewind intends to enter into a support agreement with Wellfield to enhance its platform's capabilities. Under this agreement, Wellfield will supply a team of professionals with extensive experience in electronic trading, market structure, gold investment management, market operations, cryptography, and blockchain technology. This collaboration aims to ensure a seamless technology transfer and operational support during the initial 1.5 years of Tradewind's service expansion, reinforcing its position as a leader in the digital gold trading landscape.

**Levy Cohen, Chief Executive Officer of Wellfield, stated:** "Spinning out Tradewind into this RTO is a strategic move that underscores our commitment to advancing decentralized finance solutions in traditional markets. Tradewind, has developed a platform that redefines gold ownership and trading, providing users with investment opportunities and flexibility. Our unique relationship with the Royal Canadian Mint enhances this offering, ensuring a trusted and secure foundation for the new gold

trading platform. By launching this RTO, we are positioning Tradewind to independently accelerate its growth and fully capitalize on the enormous potential of its technology. We are excited to see Tradewind take this pivotal step and are confident it will lead the way in the digitization of gold, creating new opportunities for investors and enhancing the overall market for precious metals."

**Michael Gaffney, Chair and Chief Executive Officer of Leonovus, stated:** "Tradewind's spin-out through this RTO is a significant advance for the gold trading industry. In a time of global economic uncertainties, the gold market has shown resilience, with demand as a safe-haven asset reaching new heights. According to the World Gold Council, gold demand in 2023 exceeded 4,700 tonnes, driven by strong central bank purchases and investor interest. The technology behind Tradewind aligns perfectly with this growing demand, offering a seamless digital solution for gold ownership and trading. We believe Tradewind is uniquely positioned to bridge the gap between physical assets and seamless finance, enhancing liquidity and accessibility while setting a new standard for integrating gold into modern financial ecosystems."

## **FINANCING DETAILS**

Leonovus and FinanceCo will grant the Agent an option (the "**Agent's Option**") to offer up to an additional 15% of Debt Equity Subscription Receipts and/or Equity Subscription Receipts, exercisable in whole or in part, at any time up to 48 hours prior to the closing of the Offering.

The net proceeds of the Offering from the sale of Debt Equity Subscription Receipts will be used for the purchase of physical gold to be held at the RCM, and for working capital and general corporate purposes. The net proceeds from the sale of Equity Subscription Receipts will be used for working capital and general corporate purposes. The allocation of the proceeds from the sale of each C\$2,000 Debt Equity Subscription Receipt is: (a) C\$1,000 to be used for the purchase of physical gold (50%) and (b) C\$1,000 for working capital and general corporate purposes (50%).

The gross proceeds of the Offering, less the Agent's expenses and 50% of the cash commission, will be deposited and held by a licensed Canadian trust company or other escrow agent (the "**Escrow Agent**") mutually acceptable to the Agent and Leonovus in an interest bearing account (the "**Escrowed Funds**") pursuant to the terms of a subscription receipt agreement to be entered into on the Closing Date among FinanceCo, Leonovus, the Agent and the Escrow Agent. The Escrowed Funds (less the remaining 50% of the cash commission and any remaining costs and expenses of the Agent) will be released from escrow to the Resulting Issuer, as applicable, upon satisfaction of the following conditions (collectively, the "**Escrow Release Conditions**") no later than the 120<sup>th</sup> day following the Closing Date, or such other date as may be mutually agreed to in writing between Leonovus, FinanceCo and the Agent (the "**Escrow Release Deadline**"), including:

- (A) the completion, satisfaction or waiver of all condition's precedent to the RTO in accordance with the Definitive Agreement, to the satisfaction of the Agent;
- (B) the completion of the Share Consolidation and Name Change;
- (C) the receipt of all required shareholder and regulatory approvals, including, without limitation, the conditional approval of the TSXV for the listing of the Resulting Issuer Shares and the RTO;
- (D) the Resulting Issuer securities issued in exchange for the underlying securities not being subject to any statutory or other hold period in Canada;
- (E) the representations and warranties of FinanceCo and Leonovus contained in the agency agreement to be entered into in connection with the Offering being true and accurate in all material respects, as if made on and as of the escrow release date; and
- (F) FinanceCo, Leonovus and the Agent having delivered a joint notice and direction to the Escrow Agents, confirming that the conditions set forth in (A) to (E) above have been met or waived.

If (i) the satisfaction of the Escrow Release Conditions does not occur on or prior to the Escrow Release Deadline, or such other date as may be mutually agreed to in writing among Leonovus, FinanceCo and the Agent, or (ii) Leonovus has advised the Agent or the public that it does not intend to proceed with the RTO, then all of the issued and outstanding Debt Equity Subscription Receipts and Equity Subscription Receipts shall be cancelled and the Escrowed Funds shall be used to pay holders of Debt Equity Subscription Receipts and Equity Subscription Receipts an amount equal to the issue price of the Debt Equity Subscription Receipts and Equity Subscription Receipts held by them (plus an amount equal to a pro rata share of any interest or other income earned thereon) (the "**Required Refund**"). If the Escrowed Funds are not sufficient to satisfy the Required Refund to the

holders of the then issued and outstanding Debt Equity Subscription Receipts and Equity Subscription Receipts (plus an amount equal to a pro rata share of the interest earned thereon), it shall be Leonovus' and FinanceCo's sole responsibility and liability to contribute such amounts as are necessary to satisfy any such shortfall.

The securities to be issued under the Offering will be offered by way of private placement in each of the provinces of Canada and such other jurisdictions as may be determined by Leonovus, FinanceCo, and the Agent, in each case, pursuant to applicable exemptions from the prospectus requirements under applicable securities laws.

The Offering is expected to close on or about the week of April 30, 2025 (the "**Closing Date**"), or such other date as agreed upon between Leonovus, FinanceCo and the Agent and will be subject to certain conditions set out in the agency agreement of the Offering.

In connection with the Offering, the Agent will receive an aggregate cash commission equal to 8.0% of the gross proceeds from the Offering, subject to a reduction for orders on a "president's list" at 4.0%. Upon the satisfaction or waiver (to the extent waiver is permitted) of the Escrow Release Conditions, the Agent will also be issued broker warrants (the "**Broker Warrants**") equal to 8.0% of the number of Equity Subscription Receipts sold under the Offering and 8.0% of the number of Resulting Issuer Shares issuable upon conversion of the Convertible Debentures (based on the Conversion Price), subject to a reduction for orders on a "president's list" at 4.0%. Each Broker Warrant shall be exercisable to acquire one Unit (or the equivalent thereof in securities of the Resulting Issuer) at an exercise price equal to C\$0.50 per Unit for a period of 60 months following the satisfaction or waiver of the Escrow Release Conditions.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or any other jurisdiction. No securities may be offered or sold in the United States or in any other jurisdiction in which such offer or sale would be unlawful prior to registration under the U.S. Securities Act of 1933 or an exemption therefrom or qualification under the securities laws of such other jurisdiction or an exemption therefrom.

## **TRANSACTION PARTICULARS**

Pursuant to the Definitive Agreement dated September 5, 2024, a newly incorporated subsidiary of Leonovus ("**SubCo**") will amalgamate (the "**Amalgamation**") with FinanceCo under the *Business Corporations Act* (Ontario), and such resulting entity will become a wholly owned subsidiary of the Resulting Issuer. On completion of the RTO, the Resulting Issuer will issue replacement Resulting Issuer Shares and replacement warrants to purchase Resulting Issuer Shares to the current holders of Leonovus Shares and the current holders of warrants to purchase Leonovus Shares. Stock options of Leonovus will be cancelled on closing of the RTO. Concurrently with the completion of the Amalgamation, Leonovus will issue shares in settlement of an aggregate of C\$882,218 of indebtedness through the issue of an aggregate of 1,764,436 Leonovus Shares at a deemed price of C\$0.50 per Leonovus Share to certain directors, officers and employees of Leonovus (the "**Debt Settlement**"). See discussion below regarding Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The terms of the Debt Settlement are subject to the review and approval of the TSXV.

The full particulars of the RTO, and the Resulting Issuer will be described in the management information circular of Leonovus (the "**Leonovus Circular**") prepared in accordance with the policies of the TSXV. A copy of the Leonovus Circular will be available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under Leonovus' issuer profile in due course. It is anticipated that an annual and special meeting of the securityholders of Leonovus will be held on April 17, 2025 (the "**Leonovus Meeting**").

Shareholder approval at the Leonovus Meeting is required for a number of the transactions

described in this press release, including: (i) the Name Change; (ii) the Share Consolidation; (iii) the approval of the RTO; (iv) the election of directors; (v) the appointment of auditors; (vi) the adoption of new securities compensation arrangements; (vii) the adoption of new by-laws; and (viii) the change of fiscal year end. Each of the resolutions will require approval by a 50% majority of votes cast at the Leonovus Meeting, other than: (i) the resolutions to approve the change of name and the Share Consolidation, which will require approval by two-thirds (66 2/3%) of the votes cast at the Leonovus Meeting; and (ii) the resolution approving the RTO, which will require "minority approval" as such term is defined in MI 61-101 ("**Minority Approval**").

Leonovus securityholders are urged to read the Leonovus Circular once available, as it will contain additional important information about the RTO. The RTO is expected to be completed in April 2025.

In support of the RTO and related transactions, each of the directors and officers of Leonovus, representing an aggregate of 1,429,175 Leonovus Shares (approximately 7% of the issued and outstanding Leonovus Shares) have entered into a voting support agreement with Wellfield in support of the RTO. Each of the boards of directors of Wellfield and Leonovus, following consultation with their financial and legal advisors, have unanimously approved the Definitive Agreement and the RTO.

The 36,000,000 Resulting Issuer Shares to be issued to Wellfield upon closing of the RTO (the "**Consideration Shares**") shall be subject to escrow whereby the Consideration Shares will be releasable in tranches over a 36-month term pursuant to the policies of the TSXV (the "**Escrow Requirements**"). Pursuant to the Definitive Agreement and following closing of the RTO, Wellfield shall use reasonable efforts to distribute or sell such number of Consideration Shares that, at the time of such distribution or sale, have been released from escrow in accordance with the Escrow Requirements, such that, following such distribution or sale, Wellfield shall hold such number of Resulting Issuer Shares representing not more than 45% of the Resulting Issuer Shares after giving effect to the RTO.

In conjunction with the RTO, Wellfield will also provide to the Resulting Issuer: (i) an intellectual property support agreement for post-closing services and support related to the Tradewind business valued at approximately C\$1,000,000; and (ii) a customary non-competition agreement for a term of 5 years.

Wellfield and the Resulting Issuer will also enter into an investor rights agreement granting Wellfield a participation rights in future Resulting Issuer financings, subject to Wellfield holding at least 5% of the voting rights applicable to the outstanding Resulting Issuer Shares.

Completion of the RTO is subject to several conditions, including, but not limited to, receipt of Leonovus shareholder approval, receipt of TSXV approval, closing of the Offering, completion of certain upgrades to the Tradewind platform, no material adverse change having occurred for either Wellfield nor Leonovus, and compliance with the terms of the Definitive Agreement by each of Wellfield and Leonovus. There can be no assurance that the RTO will be completed as proposed or at all.

Upon completion of the RTO, the current directors and officers of Leonovus will resign and the board of directors of the Resulting Issuer (the "**Resulting Issuer Board**") will be comprised of Michael Gaffney, Fraser Buchan, Jason Ewart, David Outhwaite and Kristina Bates, to hold office until the next annual general meeting of the Resulting Issuer or until their successors are elected or appointed. The Resulting Issuer Board will nominate the Michael Gaffney as Chairman and Chief Executive Officer and Chris Carmichael as Chief Financial Officer and Corporate Secretary of the Resulting Issuer.

Investors are cautioned that, except as disclosed in the Leonovus Circular to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Leonovus should be

considered highly speculative.

The Definitive Agreement was negotiated at arm's length between representatives of Wellfield and Leonovus. The Leonovus Shares will remain halted pending further filings with the TSXV. Leonovus may seek waivers or exemptions from certain listing requirements of the TSXV in connection with the RTO, including the requirement to obtain a sponsor for the RTO. However, there can be no assurance that any waivers will be obtained. If a waiver from the sponsorship requirement is not obtained, a sponsor will be identified at a later date. No deposit, advance or loan has been made or is to be made in connection with the RTO.

As a result of the participation in the Debt Settlement by certain "related parties" of Leonovus, namely, directors and officers of Leonovus, the RTO constitutes a "related party transaction", as such terms are defined by MI 61-101. Pursuant to MI 61-101, if a transaction is a related party transaction, Minority Approval of the transaction is required. As stated herein, the resolution approving the RTO to be voted on at the Leonovus Meeting will be subject to Minority Approval. As the Leonovus Shares are only listed on the TSXV, Leonovus is relying on the exemption from the formal valuation requirement as set out in s.5.5(b) of MI 61-101.

## **PROPOSED MANAGEMENT AND BOARD OF DIRECTORS OF RESULTING ISSUER**

### **Michael Gaffney, BSc, MBA – Director, Executive Chairman and CEO**

Michael is the proposed Executive Chair and CEO of the Resulting Issuer and the current Chair and CEO of Leonovus. He brings significant leadership experience across telecommunications, semiconductors, mining, digital finance, and software. Michael's career track includes serving as Vice President at Newbridge Networks, contributing to the company's global expansion, and founding ENQ Semiconductor and Blue Fyre One, which achieved notable success in private equity and acquisitions. He also transformed Intouch Insight into a thriving enterprise and positioned Leonovus for Tradewind's acquisition while strengthening its financial position and retaining key assets for sale.

### **Fraser Buchan, BA – Director**

Fraser is a recognized leader in the digital asset space. With expertise in gold markets and blockchain technology, he has been instrumental in building Tradewind's platform for digitized gold and silver trading. Fraser serves on the board of Sprott's Argo Digital Gold and is known for his ability to bridge traditional financial systems with decentralized solutions. His strategic focus on transparency and efficiency continues to drive innovation in gold trading.

### **Jason Ewart, BA – Director**

Jason is a seasoned corporate director with extensive experience in asset management and capital markets. He co-founded Fountain Asset Corporation, serving as CEO and COO for over a decade, and is currently EVP of Capital Markets at Hank Payments Corp. Jason also holds board positions at Marathon Mortgage Corp. and Attorneys Title Guarantee Fund Inc. With a degree in economics from McGill University, he chairs the Northumberland Community Futures Development Corporation, which provides financing and strategic support to entrepreneurs. Jason is known for his expertise in corporate finance, governance, and fostering business growth.

### **David Outhwaite – Director**

David is a veteran executive with a strong background in IT and software industries. His career spans leadership roles in public companies, where he has overseen IPOs, mergers, and innovative SaaS and cloud solutions. As COO of CryptoLogic, David led developments in e-commerce and online gaming, securing regulatory approvals in key markets and driving significant financial growth. As CEO of VIQ Solutions, he expanded the company globally and established partnerships with major clients such as U.S. District Courts and Her Majesty's Courts in the UK. Known for his

operational acumen and strategic vision, David brings valuable insights to the Resulting Issuer's leadership team.

### **Kristina Bates, BA, MBA, CPA, CA – Director & Audit Committee Chair**

Kristina is a senior financial executive and experienced corporate director with expertise in capital markets, wealth management, and corporate governance. She began her career as a Chartered Accountant with Ernst & Young and has held leadership roles at Dundee Capital Markets and Manulife Securities. Kristina serves on the board of Big Ridge Gold, where she is Chair of the Board. Kristina is the CFO of Rogers & Company Wines. Her deep knowledge of financial reporting, audit processes, and governance make her an invaluable asset as Tradewind navigates regulatory and financial complexities.

### **Chris Carmichael B.A., CPA, CGA - Chief Financial Officer**

With over twenty years of experience, Chris has held CFO and Corporate Secretary positions for various TSXV, Canadian Securities Exchange, and pre-public companies across diverse sectors, including blockchain technology, financial technology, venture capital, cannabis, and mining exploration. Chris has demonstrated a strong ability to navigate complex financial landscapes and implement effective financial controls. He specializes in regulatory compliance, financial reporting, cash flow management, financial planning, and structuring mergers and acquisitions. His extensive background equips him with a deep understanding of the unique challenges and opportunities within these rapidly evolving industries.

### **TERMINATION OF LETTER OF INTENT WITH CYLENTIUM RESEARCH LTD.**

Leonovus also announces that it has terminated the non-binding letter of intent with Cylementium Research Ltd., previously announced by Leonovus on January 31, 2024.

### **ADVISORS**

Bennett Jones LLP is legal counsel to Wellfield and DS Lawyers Canada LLP is legal counsel to Leonovus. Stikeman Elliott LLP is legal counsel to the Agent.

### **ABOUT WELLFIELD TECHNOLOGIES**

Wellfield Technologies, Inc. (TSXV: WFLD) is a leading fintech company specializing in innovative solutions leveraging blockchain technology. Our platform Coinmama (web and mobile app), provides seamless access to the cryptocurrency market for over 3.5 million registered users across 180 countries. We offer disruptive on-chain and web3 secure and friendly self-custody solutions through Coinmama. Additionally, Wellfield operates Tradewind Markets platform to digitize and trade real-world assets, including our flagship VaultChain™ Gold and VaultChain™ Silver products. Expanding our offerings for institutional clients, we present Brane Trust aiming to operate in Alberta Canada's second qualified digital asset custodian.

Join Wellfield's digital community on [LinkedIn](#) and [Twitter](#), and for more details, visit [wellfield.io](https://wellfield.io)

### **CAUTIONARY NOTICE ON FORWARD-LOOKING STATEMENTS**

This news release contains statements that constitute "forward-looking information" ("forward-looking information") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking information and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts",

"estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information. Forward-looking information in this news release includes, but is not limited to: statements regarding the approval of the TSXV of the transactions contemplated herein, such approval to be granted subject to the minimum listing requirements pursuant to the policies of the TSXV for a Tier 2 Technology Issuer being met; the acquisition of Leonovus of all the issued and outstanding common shares in the capital of Tradewind; the intended exchanges or issuance of securities and change of the name of Leonovus to be effected as part of the RTO; the completion of the Offering and the issuance of the securities under the Offering on the terms and conditions described above; the Resulting Issuer Shares to be issued upon the conversion of the Debt Equity Subscription Receipts and Equity Subscription Receipts being freely tradeable upon the closing of the RTO; commercially reasonable efforts being made to obtain the necessary approvals to list the Convertible Debentures and Warrants that will be exchanged for Resulting Issuer Warrants on the TSXV; statements regarding the future expanded business of Tradewind, which may be subject to applicable regulatory approvals; the stated belief that Tradewind is uniquely positioned to bridge the gap between physical assets and seamless finance and the potential benefits to be derived therefrom; the statement to the effect that the collaboration of Tradewind and the RCM will drive growth and provide exceptional value to clients, and the benefits to be derived therefrom; the launch by Tradewind of an innovative blockchain based platform, and the trading of tokenized gold against digitized United States Dollars enabled by this new platform; Tradewind's ability to develop a product using blockchain technology by tokenizing physical gold securely on the Tradewind blockchain which will enabling gold owners to earn yield, as well as the benefits to be derived therefrom; Tradewind's ability to lower costs by eliminating middlemen, enhancing trust with the highest quality gold; the expectation that RCM's custodial participants, family offices, institutions, and retail customers will be able to use the Tradewind platform directly from their desktop, greatly simplifying the historically complex process of buying gold; the entering into by Tradewind of the voting support agreement with Wellfield; the use of proceeds from the sale of the Equity Subscription Receipts and the Debt Equity Subscription Receipts; the placement of the gross proceeds of the Offering into escrow and the subsequent release of the gross proceeds of the Offering from escrow; the receipt by the Agent of a cash commission and Broker Warrants in connection with the Offering; the anticipated timing of closing of the Offering; the expected participation of certain directors, officers and close associates of the Company in the Offering; the expected amalgamation of SubCo and FinanceCo; the expected cancellation of the stock options of Leonovus; the matters anticipated to be considered at the Leonovus Meeting and the anticipated date thereof; the expected provision by Wellfield of an intellectual property support agreement and of a customary non-competition agreement; the anticipated timing of closing of the RTO; the composition of the board of directors upon completion of the RTO; the expectation that the Leonovus Shares will remain halted pending further filings with the TSXV; the statement to the effect that Leonovus may seek waivers or exemptions from certain listing requirements of the TSXV in connection with the RTO; the use of proceeds of the Offering; and the exercise by the Agent of the Agent's Option, which are based on Wellfield and Leonovus' current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. These statements are not guarantees of future performance and undue reliance should not be placed on them.

Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause Wellfield and Leonovus' actual performance and results in to differ materially from any projections of future performance or results expressed or implied by such forward-looking information. These risks and uncertainties include but are not limited to: Wellfield and Leonovus satisfying the conditions for TSXV approval of the transactions herein; failure to realize the anticipated benefits of the RTO; all conditions precedent to the RTO being satisfied or waived; the transaction costs incurred in connection with the RTO; the Definitive Agreement being terminated; risks related to blockchain technology; the acceptance and adoption of blockchain technology; the Resulting Issuer's ability to achieve sufficiently high levels of transaction volumes; uncertainty in the

market for blockchain technologies; the continued development of a stable public internet infrastructure; the development of a market for the Resulting Issuer's products; the implementation of the Resulting Issuer's business plan; failure to protect intellectual property; limited operating history; competition in the blockchain technology industry; the ability to engage traditional financial service providers; the ability to obtaining additional financing; risks related to doing business internationally; risks related to doing business in regions with high levels of business corruption and other criminal activity; risks related to cybersecurity threats; and general business, financial market, economic, competitive, political and social uncertainties.

There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated. Readers are cautioned that the foregoing list is not exhaustive, and readers are encouraged to review the disclosure documents accessible on Wellfield and Leonovus' respective SEDAR+ profiles at [www.sedarplus.ca](http://www.sedarplus.ca). Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Except as required by law, Wellfield and Leonovus disclaims any intention and assumes no obligation to update or revise any forward-looking information.

All information contained in this news release with respect to Wellfield and Leonovus 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 such party.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) has approved nor disapproved the contents of this news release, nor do they accept responsibility for the adequacy or accuracy of this release.

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