



Zedcor Inc. Announces Expansion and Extension of Credit Facility

CALGARY, ALBERTA – **December 4, 2020**: Zedcor Inc. (the "**Company**" or "**Zedcor**") (TSX-V: ZDC) is pleased to announce that the Company has entered into an amended and restated loan and security agreement (the "**Agreement**") with Maynbridge Capital Inc. (the "**Lender**") in the principal amount of \$17.3 million. The Agreement consolidates the Company's existing term loans into a single loan facility that will be amortized over five years and is fully committed until January 1, 2023, with the option to renew for an additional 12 months subject to the Lender's approval. The Agreement provides for \$1.0 million of additional growth capital immediately to expand Zedcor's Security and Surveillance business which is seeing growing customer demand, along with an uncommitted \$2.0 million accordion facility that could be made available to the Company, subject to the Lender's credit approval.

The Agreement is secured with a first charge over the Company's assets, bears interest at 12.75% per annum and has an extension fee of 2% per annum, \$377,238 of which will be capitalized to the loan and \$300,000 of which has been paid with the issuance of 2,000,000 common shares of Zedcor Inc. at a deemed price of \$0.15 per share. The Agreement will be serviced by equal, monthly blended principal and interest payments and does not require quantitative financial covenants. In addition, the Lender has been issued an additional 730,562 share purchase warrants with an exercise price of \$0.12 per share and the exercise price of the 4,014,343 existing warrants already issued to the Lender will be amended to \$0.12 per share. The expiry date of all outstanding warrants issued to the Lender will be November 25, 2024. All of the securities issued are subject to a four month hold period from the date of issue.

At the end of the Agreement's initial term, Zedcor is projecting to have approximately \$13.0 million of senior debt under its loan with the Lender, assuming the \$2.0 million accordion facility has been fully drawn. This would represent a reduction of approximately 33% in the outstanding debt under the Agreement with the Lender. Based on current forecasts, estimated utilization of the Company's fleet of security towers, along with the additional assets purchased as part of the financing, Zedcor's senior debt to EBITDA ratio is projected to be below 2.5x which will put the Company in line with senior bank lending requirements and is consistent with the Company's strategic goal to deleverage its balance sheet.

Todd Ziniuk, President and CEO of the Company stated "The consolidation of our various loan facilities, along with up to \$3.0 million of additional expansion capital, will allow us to focus on our customers' security needs by expanding our fleet of MobileyeZ towers, fixed camera installations and remote video monitoring services, and expand our service offering to other geographic regions. This financing will help Zedcor continue to provide technology-based solutions to our customers in order to solve tomorrow's problems today."



Forward-Looking Statements and Information

Certain statements included or incorporated by reference in this press release constitute forward-looking statements or forward-looking information. Forward-looking statements or information may contain statements with the words “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “propose”, “budget”, “should”, “project”, “or similar words suggesting future outcomes or expectations. In particular, forward-looking statements and information contained in this press release, include, but are not limited to, the expansion of Zedcor’s Security and Surveillance business, the expiry date of all outstanding warrants, Zedcor’s estimated senior debt to EBITDA ratio, fleet expansion, marketing of security services and expansion of Zedcor’s service offering to other geographic regions. Although the Company believes that the expectations implied in such forward-looking statements or information are reasonable, undue reliance should not be placed on these forward-looking statements or information because the Company can give no assurance that such statements or information will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of assumptions about the future and uncertainties, including current forecasts and utilization. Although management of the Company believes these expectations and assumptions reflected in these forward-looking statements or information to be reasonable, there can be no assurance that any forward-looking statements or information will be proved to be correct, and actual results will differ materially from those anticipated in such statements or information. For this purpose, any statements or information contained herein that are not statements or information of historical fact may be deemed to be forward-looking statements or information and readers should not place undue reliance on such forward-looking statements or information. The forward-looking statements or information contained in this press release are made as of the date hereof and the Company assumes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new contrary information, future events or any other reason, unless the Company is required by any applicable securities laws. The forward-looking statements or information contained in this press release are expressly qualified by this cautionary statement.

EBITDA

EBITDA refers to net income before finance costs, income taxes, depreciation and amortization. This measure does not have a standardized definition prescribed by IFRS and therefore may not be comparable to similar captioned terms presented by other issuers. Management believes that EBITDA is a useful measure of performance as it eliminates non-recurring items and the impact of finance and tax structure variables that exist between entities. Please refer to the Company’s Management’s Discussion and Analysis for further information regarding EBITDA.

About Zedcor Inc.

Zedcor Inc. is a Canadian public corporation and parent company to Zedcor Security Solutions Corp. Zedcor is engaged in the providing security & surveillance services, and rental of surface equipment & accommodations in Western Canada. The Company trades on the TSX Venture Exchange under the symbol “ZDC”. Zedcor operates with two business segments: Security & Surveillance and Rentals (formerly Energy Services).



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