NEWS PROVIDED BY
Mind Cure Health Inc.
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VANCOUVER, BC, Aug. 15, 2023 /CNW/ - Mind Cure Health Inc. (the "**Company**" or "**LNG Energy**") is pleased to announce that the Company has completed the previously announced business combination (the "**Transaction**") with LNG Holdings Inc. (formerly LNG Energy Group Inc.) ("**LNG Holdings**") by way of a court-approved plan of arrangement pursuant to an amended and restated arrangement agreement between the Company and LNG Holdings dated June 8, 2023 (the "**Arrangement Agreement**"), and has received conditional approval to list its common shares (the "**Common Shares**") and Common Share purchase warrants (the "**Warrants**") on the TSX Venture Exchange (the "**Exchange**").

"It is an honor and a privilege for LNG Energy to embark on this remarkable journey, carrying on the business that Mr. Rod Lewis has pioneered in Colombia. Rod has assembled a stable of quality assets and a top-tier-talent team that is competitive, experienced and unparalleled in the Colombian natural gas sector. This transaction marks a pivotal moment for LNG Energy to partner with a visionary such as Mr. Lewis, to drive innovation, sustainability, and accretive success going forward, as we harness the potential of this significant venture," commented Pablo Navarro, Chairman and Chief Executive Officer of LNG Energy. "We would like to thank Mr. Rod Lewis and Lewis Energy Group for entrusting us with these assets and partnering with us to develop them for the benefit of all shareholders."

"Lewis Energy Group has been developing these assets for over a decade and we are pleased to work with Pablo and his team to ensure their further development," commented Mr. Rod Lewis, Chief Executive Officer of Lewis Energy Group, L.P. ("**Lewis Energy Group**").

Immediately prior to the closing of the Transaction, the Company consolidated its Common Shares on the basis of one post-Consolidation Common Share for every six pre-Consolidation Common Shares (the "**Consolidation**"). Under the terms of the Transaction, the Company acquired all of the issued and outstanding shares of LNG Holdings in exchange for the issuance of one (1) post-Consolidation Common Share for every one (1) LNG Holdings common share. As a result of the completed Transaction, LNG Holdings became a wholly-owned subsidiary of the Company and the Company will carry on the business of LNG Holdings. In connection with the Transaction, the Company will also continue from the Province of British Columbia into the Province of Ontario and change its name from "Mind Cure Health Inc." to "LNG Energy Group Corp." (the "**Name Change**") with an anticipated effective date on or about August 17, 2023.

In connection with the Transaction, the Common Shares and Warrants will be delisted from the Canadian Securities Exchange and, upon the receipt by the Exchange of the final listing approval, the Company will list 155,108,066 Common Shares and 44,577,350 Warrants on the Exchange with such Common Shares and Warrants expected to begin trading after closing of the Transaction (the "**Trading Resumption Date**"). The ticker symbol for the Common Shares will be "LNGE".

The Consolidation reduces the number of outstanding Common Shares from 115,006,327 to 19,167,723. Proportionate adjustments were made to the Company's outstanding warrants issued in connection with the Transaction, and deferred share units, which were settled for 493,581 post-Consolidation Common Shares, and the Company's remaining warrants and stock options were cancelled in connection with the Transaction for no additional consideration. No fractional Common Shares were issued pursuant to the Consolidation and any fractional Common Shares that would have otherwise been issued were rounded to the next highest whole number of Common Shares. Following the Consolidation and the Name Change, the Company's CUSIP number will change to 53951J106 and ISIN to CA53951J1066.

In connection with the completion of the Transaction, LNG Holdings completed a subscription receipt financing for gross aggregate proceeds of approximately $22.5 million comprised of: (i) a brokered private placement financing (the "**Financing**") of 44,577,350 subscription receipts (each, a "**Subscription Receipt**") at price of $0.50 per Subscription Receipt for gross proceeds of approximately $22.3 million through a syndicate of agents co-led by Canaccord Genuity Corp ("**Canaccord**") and Eight Capital ("**Eight**") and (ii) a non-brokered private placement of 266,000 subscription receipts ("**Company Receipts**") on equivalent terms to the Subscription Receipts for aggregate gross proceeds of $133,000. Immediately prior to completion of the Transaction, each Subscription Receipt was automatically converted into one common share and warrant of LNG Holdings and subsequently exchanged on a one-for-one post-Consolidation basis of Common Shares and Warrants, and each Subscription Receipt was automatically converted into Common Shares and warrants. The proceeds from the Financing, which, after being used in part to fund the LEC Acquisition (defined below), are sufficient to allow the Company to complete its planned work program, were released from escrow following the Company receiving all applicable regulatory approvals and other conditions required to complete the Transaction.

In connection with closing of the Transaction, the Company issued 135,180,762 Common Shares to former holders of common shares of LNG Holdings, 79,934,761 Warrants to former holders of warrants of LNG Holdings and 2,074,641 broker warrants of the Company ("**Broker Warrants**") to former holders of broker warrants of LNG Holdings. Following completion of the Transaction, the Company has 155,108,066 Common Shares, 81,959,094 Warrants and 2,074,641 Broker Warrants issued and outstanding.

Credit Agreement

LNG Energy today also announced the closing of a U.S.$70 million secured credit facility (the "**Credit Facility**") with Macquarie Group pursuant to a credit agreement dated as of July 26, 2023 (the "**Credit Agreement**"). The proceeds from the Credit Facility were used to fund the acquisition of Lewis Energy Colombia, Inc. ("**LEC**"). Pursuant to the terms of the Credit Agreement, the Credit Facility is secured against the assets of LEC and has a five-year term on an amortizing basis. Pursuant to the terms of the Credit Agreement, LNG Canada Holdco Inc., a wholly-owned subsidiary of LNG Energy, borrowed U.S.$70 million, subject to certain financial, positive and negative covenants.

LEC Acquisition

In connection with the Transaction, the Company also acquired, indirectly through a wholly-owned subsidiary, all of the issued and outstanding shares in the capital of LEC from Lewis Energy Group for approximately U.S.$100,000,000payable by way of U.S.$80,000,000 in cash and U.S.$20,000,000 in Common Shares, for which 53,928,000 Common Shares at a deemed issue price of $0.50 were issued, subject to certain adjustments and royalties based upon the performance of the exploration and development of the Blocks (the "**LEC Acquisition**"). The Company also issued 13,482,000 Warrants to Lewis Energy Group, with each warrant exercisable into one Common Share at an exercise price of $0.60 per share for a period of three (3) years from the date of issuance.

The LEC Acquisition was funded, in part, by the Credit Facility and, in part, by the proceeds from the Financing.

Management and Board of Directors

Upon closing of the Transaction, the management and board of directors of the Company are as follows:

- Pablo Navarro – Chairman and Chief Executive Officer
- Angel Roa – Chief Financial Officer
- Nicolas Ziperovich – Chief Operating Officer
- Michael Galego – Chief Legal Officer, Corporate Secretary and Director
- Jeff Agosta – Director
- Al Holcomb – Director
- Stan Jumper – Director

Biographical descriptions of each director and member of the senior management team of LNG Energy is included in the filing statement of LNG Energy to be filed on under the Company's SEDAR+ profile at www.sedarplus.ca (the "**Filing Statement**").

Escrow, Depositary Arrangement and Letter of Transmittal

In connection with the Transaction, an aggregate of 78,496,954 Common Shares and 29,950,953 Warrants will be held in escrow pursuant to an Exchange Form 5D Escrow Agreement. Assuming the Common Shares are listed on the Exchange as a Tier 1 Issuer (as such term is defined in the policies of the Exchange), the Common Shares and Warrants will be released in four equal instalments occurring on each of the date of the final Exchange bulletin approving listing (the "**Final Exchange Bulletin**") and every six (6) months thereafter.

In addition to the foregoing escrowed shares, 16,700,001 of the Resulting Issuer Shares which will be issued in exchange for 16,700,001 seed shares of LNG Energy issued on March 14, 2023 will be subject to seed share resale restrictions imposed by the Exchange where such Resulting Issuer Shares will have the same schedule for release from the resale restrictions as the escrow shares as described above for a Tier 1 Issuer, but the resale restrictions will be imposed by placing restrictive legends on the certificates representing the Resulting Issuer Shares.

An aggregate of 19,661,304 Common Shares held by former shareholders of the Company and 1,758,333 Warrants shall be subject to a contractual lock-up whereby such Common Shares and Warrants will be released in four equal instalments occurring on each of the date of the Final Exchange Bulletin and every three (3) months thereafter.

Further to the disclosure in the Company's information circular dated May 12, 2023 (the "**Circular**") prepared in connection with, among other things, the approval of the Transaction, the Company would like to provide an update on the proposed escrow arrangement pursuant to which the Common Shares held by former holders of the predecessor to the Company will be held.

To effectuate the previously disclosed lock-up periods for the former Company shareholders and LNG Holdings shareholders, it is currently expected all Common Shares held by former registered shareholders will be issued pursuant to an escrow agreement (the "**LNG Escrow Agreement**") with Computershare Investor Services Inc. ("**Computershare**"). Computershare will then issue and release all Common Shares to the former registered shareholders of the Company and LNG Holdings in accordance with that release schedule set forth in the Company's press release dated May 5, 2023and the Arrangement Agreement.

Year End and Change of Auditor

In connection with the completion of the Transaction, the fiscal year end of the Company will become the year end of LNG Holdings, which is December 31.

In connection with the completion of the Transaction, MNP LLP, Chartered Professional Accountants, at its principal offices in Toronto, Ontario, will replace Davidson & Company as the auditor of the Company.

Sponsorship

Pursuant to a sponsorship agreement to be provided by Canaccord, LNG Holdings engaged Canaccord to act as sponsor of the Transaction. As of the date hereof, Canaccord holds 1,023,417 Broker Warrants.

Early Warning Disclosure Pursuant to National Instrument 62-103

In connection with the Transaction, Lewis Energy Group, acquired ownership, control or direction over Common Shares and Warrants requiring disclosure pursuant to the early warning requirements of applicable securities laws. Lewis Energy Group did not own or exercise control or direction over any securities of the Company or LNG Holdings prior to the completion of the Transaction. Lewis Energy Group acquired ownership, or control or direction over, of 67,410,000 Common Shares (representing approximately 43.46% of the outstanding Common Shares) and 26,964,000 Warrants (which, with Lewis Energy Group's Common Shares, collectively represents approximately 47.98% of the outstanding Common Shares on a partially diluted basis, assuming only the exercise of the Warrants held by Lewis Energy Group) pursuant to a private agreement.

The head office of the Company is located at #170, 422 Richards St., Vancouver, British Columbia, V6B 2Z4, Canada and the head office of Lewis Energy Group is located at 10101 Reunion Place Suite 1000, San Antonio, TX 78216.

The securities of the Company acquired by Lewis Energy Group are being held for investment purposes and in the future, Lewis Energy Group may discuss with management and/or the board of directors of the Company any of the transactions listed in clauses (a) to (k) of item 5 of Form F1 of National Instrument 62-103 – *The Early Warning System and Related Take-over Bid and Insider Reporting Issues* and may further purchase, hold, vote, trade, dispose or otherwise deal in the securities of the Company, in such manner as deemed advisable to benefit from changes in market prices of the Company's securities, publicly disclosed changes in the operations of the Company, its business strategy or prospects or from a material transaction of the Company (subject to compliance with applicable laws and the release of securities from any escrow requirements).

Lewis Energy Group will file an early warning report ("**EWR**") pursuant to applicable securities laws in connection with the completion of the Transaction. A copy of the EWR to which this news release relates will be available under the Company's SEDAR+ profile at www.sedarplus.com, or by contacting the Company.

For further information with respect to the Transaction and the business of LNG, please refer to the Filing Statement posted under the Company's issuer profile on SEDAR+ at www.sedarplus.com.

Cassels Brock & Blackwell LLP (RTO), Dentons LLP (Acquisition), and Clifford Chance LLP (Credit) acted as legal counsel to LNG Holdings and for the Company following the completion of the Transaction. Wildeboer Dellelce LLP acted as legal counsel to Canaccord, Eight and Haywood Securities Inc. Norton Rose Fulbright LLP acted as legal to Lewis Energy Group. Skadden, Arps, Slate, Meagher & Flom LLP and Cuatrecasas acted as legal counsel to Macquarie.

About LNG Energy

The Company is focused on the acquisition and development of natural gas production and exploration assets in Latin America. For more information, please visit www.lngenergygroup.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION:

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of historical fact are forward-looking statements, and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often using phrases such as "expects", "anticipates", "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 statements. In this news release, forward-looking statements relate, among other things, to: receipt of final listing approval from the Exchange and the commencement of trading of the Common Shares and Warrants on the Exchange. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include: general business, economic, competitive, political and social uncertainties; delay or failure to receive any necessary board, shareholder or regulatory approvals, factors may occur which impede or prevent LNG Energy's future business plans; and other factors beyond the control of LNG Energy. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, LNG Energy assumes no obligation to update the forward-looking statements, whether they change as a result of new information, future events or otherwise, except as required by law.

SOURCE Mind Cure Health Inc.

For further information: LNG Energy Group Corp., Michael Galego, Chief Legal Officer, Corporate Secretary and Director, Email: investor.relations@lngenergygroup.com

Organization Profile

Mind Cure Health Inc.

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