

BELGRAVIA HARTFORD provides year end update on Zonetail litigation

TORONTO – (NEWSFILE) – December 20, 2022 – BELGRAVIA HARTFORD CAPITAL INC. (CSE:BLGV) (“Belgravia Hartford”, “Belgravia” or the “Company”) provides a shareholder status update on its litigation with Zonetail Inc. (TSX.V:ZONE) (“Zonetail”).

Belgravia and Zonetail are currently engaged in litigation which Zonetail launched in December 2019, the litigation is related to their prior commercial relationship.

Background Summary

1. Prior to becoming a publicly listed company, Zonetail solicited Belgravia to purchase its shares through private placement transactions in an effort to build working capital, and in part, to complete its going public transaction;
2. From February 2018 to November 2018 Belgravia invested \$876,600 in Zonetail common shares at an average cost price of \$0.1885/common share (the “**Zonetail Share Cost Price**”);
3. Additionally, on July 26, 2018, at the repeated request of Zonetail, Belgravia, in good faith, agreed to loan Zonetail \$325,000 (the “**Loan**”) and issued a promissory note in the amount of \$325,000 plus 8% interest due November 1, 2018 (the “**Promissory Note**”) which was agreed to and signed by Zonetail in promise of payment;
4. In August, 2018, Zonetail paid an interest payment of 144,444 common shares representing 8% of the interest payable;
5. Further, on October 30, 2018, Belgravia, in good faith, agreed to amend the date of repayment of the Promissory Note to the earlier of (i) that date which is 12 months from the closing of the Zonetail going public transaction, or (ii) November 1, 2019 and increased interest payable from 8% interest to 18% interest on the Promissory Note;
6. From March 2018 through February 2019 Belgravia was engaged by Zonetail to implement certain management services to fulfil its listing requirement. Belgravia provided services to assist Zonetail with Corporate Governance structure, meeting listing requirements and a number of other corporate initiatives;
7. On November 21, 2018, Zonetail became a publicly-traded company on the TSX Venture Exchange. As a result, Belgravia’s equity position, 4,749,999 common shares and 1,905,555 share purchase warrants was subject to Tier 2 escrow provisions and released over three years: 2019, 2020, and 2021;

8. On November 23, 2018, Zonetail paid an interest payment on the Loan of \$32,500 to Belgravia in accordance with the Promissory Note;

Steps to Degradation of Relationship between Belgravia and Zonetail

9. During Q2 of 2019, five months after the going public transaction was complete and only then the second tranche of the escrowed funds were released, the average market price of Zonetail common shares had plummeted to a price of approximately of \$0.06 per common share or 1/3 of the original Zonetail Share Cost Price. **Belgravia's total loss on investment: Over \$700,000;**
10. On August 29, 2019, Zonetail released it's Q2 Financials which indicated approx. \$17,000 of cash in the treasury;
11. In December 2019, Zonetail commenced a legal action against Belgravia, instead of repaying the Loan in good faith. Belgravia continues to demand **immediate repayment of the Loan and the debt owed, being \$506,125** (principal and unpaid interest to date); and
12. Belgravia has counterclaimed for \$2,500,000 against Zonetail seeking to (among other things) hold Zonetail accountable for the full amount of the Loan repayment and applicable interest (i.e., \$506,125).

Mehdi Azodi President & CEO of Belgravia Hartford stated, "Belgravia will vigorously defend itself and assert its right to re-payment of the Loan in accordance with the Promissory Note. Belgravia is moving rapidly towards scheduling a trial date and will provide a further update in early Q1 of 2023."

About Belgravia Hartford

Belgravia Hartford Capital Inc. ("Belgravia" or the "Company") is a publicly traded investment holding company listed on the Canadian Securities Exchange. Belgravia is focused on growing its assets and holdings and increasing its net asset value (NAV). Belgravia invests in a portfolio of private and public companies located in jurisdictions governed by the rule of law. It takes a multi-sector investment approach with emphasis in the resources and commodities sector. Belgravia and its investments are considered high risk holdings and it may expose shareholders to significant volatility and losses.

For more information, please visit www.belgraviahartford.com

Forward-Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include statements that use forward-looking terminology such as "may", "will", "expect",

“anticipate”, “believe”, “continue”, “potential” or the negative thereof or other variations thereof or comparable terminology. Such forward-looking statements include, without limitation, statements regarding planned investment activities & related returns, the timing for completion of research and development activities, the potential value of royalties, and other statements that are not historical facts. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including, but not limited to, changes in market trends, the completion, results and timing of research undertaken by the Company, risks associated with resource assets, the impact of general economic conditions, commodity prices, industry conditions, dependence upon regulatory, environmental, and governmental approvals, and the uncertainty of obtaining additional financing. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

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