Zonetail Inc. Announces Debt Settlement

Toronto, Ontario--(Newsfile Corp. - October 15, 2021) - **Zonetail Inc. (TSXV:** ZONE) (OTCQB: ZTLLF) **("Zonetail" or the "Company")**, is pleased to report the settlement of up to $225,000 of debt through the issuance of common shares of the Company (the "Debt Settlement"). Pursuant to the Debt Settlement, the Company would issue 3,750,000 common shares of the Company (the "Shares") at a deemed price of $0.06 per Share to convertible debenture holders, on account of principal and accrued interest (the "Creditors").

After the Debt Settlement, the Company will have $160,000 of its unsecured convertible debentures (the "Debentures") outstanding, which have been extended bearing interest at 12%, with a further 12 month term, and providing for a conversion price of $0.06 per share. The notes are convertible if the Company's shares trade in excess of $0.10 over any period of 10 trading days during the term, whether or not consecutive. To date the Debentures have traded in excess of $0.10 for six days. The Company may, at its option, make payment of such interest amounts due in cash or in common shares, subject to the receipt of any required regulatory or stock exchange approvals.

The issuance of the Shares to the Creditors and the extension of the balance of the Debentures is subject to the approval of the TSX Venture Exchange. All securities issued will be subject to a four month hold period which will expire on the date that is four months and one day from the date of issue.

Zonetail Inc. (TSXV: ZONE), (OTCQB: ZTLLF) is a mobile platform for hotels and high-rise residential buildings providing guests and residents access and interaction with building amenities and services, as well as neighbouring restaurants, stores, services, and other businesses. Zonetail has a partnership with AAHOA, the largest association of hoteliers in the world, representing over 25,000 hotels and 50% of the US market. Zonetail is also partnered with Shiftsuite, one of the largest property management system software providers to the condo industry in Canada. The residential platform is now live in over 80,000 condominium households. Zonetail recently has signed an integration agreement with Yardi, the largest property management software company in North America.

Please visit https://www.zonetail.com.

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Legal Disclaimer and Forward-Looking Statements

This press release contains forward-looking statements that relate to Zonetail's current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "aim", "estimate", "intend", "plan", "seek", "believe", "potential", "continue", "is/are likely to" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Certain matters discussed in this announcement contain statements, estimates and projections about the growth of Zonetail's business, potential distribution partnerships and/or clients, and related business strategy. Such statements, estimates and projections may constitute forward-looking statements within the meaning of the federal securities laws. Factors or events that could cause our actual results to differ may emerge from time-to-time. Zonetail undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The recipient of this information is cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are based on certain assumptions and analysis made by Zonetail in light of its experience and perception of historical trends, current conditions and expected future developments and other factors Zonetail believes are appropriate, and, are subject to risks and uncertainties. Although Zonetail believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, prospective purchasers should not place undue reliance on these forward-looking statements.

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