

Freckle Announces Filing of Information Circular for the Annual & Special Meeting of Shareholders

TORONTO, April 23, 2020 /CNW/ - **Freckle Ltd.** (the "**Company**" or "**Freckle**") (TSXV: FRKL) is pleased to announce the filing of its information circular dated April 23, 2020 (the "**Circular**") and related meeting materials in connection with the annual and special meeting of shareholders (the "**Meeting**") scheduled to take place virtually on May 25, 2020 at 10:00 a.m. (EST). The Company's board of directors (the "**Board**") has set April 14, 2020 (the "**Record Date**") as the record date for determining the shareholders entitled to receive notice and vote at the Meeting.

After taking into account recent Provincial and Federal guidance regarding public gatherings and social distancing due to the COVID-19 pandemic, the Company has elected to hold the Meeting virtually, allowing its shareholders to attend and participate at the Meeting by dialing into the Meeting via telephone or by joining the live webcast. The Company and its management believe that holding the Meeting virtually will proactively protect the health and wellbeing of the Company's shareholders, management, directors and service partners, while permitting and encouraging shareholder participation at the Meeting. Further details concerning the virtual Meeting are included in the Circular.

In addition to the required annual approvals, including the required shareholder approval regarding: (i) the election of the board of directors of the Company; and (ii) the appointment of the Company's auditor for the ensuing year, Freckle will seek shareholder approval for the following:

1. The sale of all of the assets of the Company's offline attribution and data business to Place IQ, Inc. for cash consideration of up to US\$4,000,000 (the "**Transaction**"). The Transaction will constitute a sale of all or substantially all of the property of the Company pursuant to section 184(3) of the *Business Corporations Act* (Ontario) (the "**OBCA**") and any registered shareholder who wishes to exercise their dissent rights under section 185 of the OBCA may do so by following the procedures found therein. Further details of the Transaction are included in the Circular and in the Company's news release dated April 6, 2020.
2. An amendment to the Company's articles to effect a name change of the Company to "Killi Ltd.," as more particularly described in the Circular (the "**Name Change**").
3. To effect a consolidation of the Company's issued and outstanding class A common preferred shares (each a "**Common Share**" and collectively, the "**Common Shares**") at a ratio to be determined by the directors of the Company between a range of 3:1 and 10:1 (the "**Consolidation**"), as more particularly described in the Circular. The Company has decided to seek shareholder approval for the Consolidation in order to increase the Company's share price, thereby increasing investor interest and trading liquidity of the Common Shares. If the Consolidation is approved, the number of Common Shares will be reduced from 216,521,909 Common Shares (as of the Record Date) to between approximately 72,173,969 and 21,652,190, depending on the consolidation ratio selected by the Board. The Consolidation is subject to both shareholder and TSX Venture Exchange ("**TSXV**") approval.

4. To approve certain amendments to the Company's existing stock option plan (the "**Option Plan Amendments**"), as more particularly described in the Circular.
5. To approve the repricing of a total of 2,549,772 options issued to insiders of the Company (the "**Repricing**") under the Company's stock option plan (each an "**Option**" and collectively, the "**Options**") to a new exercise price of \$0.05 or such greater price as may be approved by the Board (the "**Amended Exercise Price**"). The Repricing is intended to align the exercise price of the Options with the current market pricing of the Common Shares of the Company. The Repricing is subject to TSXV approval and the approval of the Company's disinterested shareholders pursuant to TSXV Policy 4.4 – *Incentive Stock Options*. In connection with the Repricing, the Company will also reprice a total of 960,000 options that are held by non-insiders of the Company (the "**Non-insider Options**") to the Amended Exercise Price. The repricing of the Non-insider Options does not require shareholder approval. Further details of the Repricing are included in the Circular.

The Transaction, the Name Change and the Consolidation will require approval by at least two-thirds (66.6%) of the votes cast by shareholders present in person or represented by proxy and entitled to vote at the Meeting. Both the Option Plan Amendments and the Repricing require approval by a simple majority of shareholders or disinterested shareholders, as applicable, who are present in person or represented by proxy and entitled to vote on the same.

The Company has elected to use the notice-and-access ("**Notice-and-Access**") provisions under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 *Continuous Disclosure Obligations* to distribute Meeting materials to shareholders. Notice-and-Access is a set of rules that allow issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies to shareholders. Shareholders have the right to request hard copies of any proxy-related materials posted online by the Company under Notice-and-Access.

Meeting materials, including the Circular, will be available under the Company's profile at www.sedar.com and also at <https://killi.io/about-us/> by April 23 2020. The Company will provide to any shareholder, upon request to Computershare Trust Company of Canada ("**Computershare**"), the Company's transfer agent, a paper copy of the Circular and the audited financial statements of the Company for the financial year ended December 31, 2019 or management discussion and analysis of the Company filed with the applicable securities regulatory authorities during the past year. In order to allow reasonable time for requesting shareholders to receive and review a paper copy of the Circular or other document prior to the proxy deadline (as specified below), any shareholder who wishes to receive paper copies of any of the Meeting materials should submit their written request to Computershare by May 6, 2020.

The deadline for returning proxies for the Meeting is Thursday May 21, 2020 at 10:00 a.m. (EST). Voting results for the items to be considered by the shareholders of Freckle at the Meeting will be announced after the Meeting and posted on SEDAR.

This announcement is for informational purposes only and does not constitute a solicitation or a proxy.

About Freckle Ltd.

The Company's consumer identity mobile application "Killi™" (killi.io) allows consumers to take back control of their digital identity from those who have been using it without their consent. With Killi™, consumers can opt-in and select specific pieces of personal information that they would like to share with companies, as well as answer specific surveys, and be compensated directly for these answers. Download it [here](https://killi.io).

[Freckle IoT](#), via its data and [offline measurement](#) products, allows leading brands and platforms to measure the effectiveness of their advertising by independently matching media spend to in-store visitation while remaining media agnostic.

For more information, please visit freckleiot.com / killi.io

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Forward Looking and Other Cautionary Statements

This news release contains "forward-looking information" which may include, but is not limited to, information with respect to the activities, events or developments that the Company expects or anticipates will or may occur in the future. Such forward-looking information is often, but not always, identified by the use of words and phrases such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. Such forward-looking information includes, among other things, information regarding: expectations regarding the approval of the Transaction, the Name Change, the Consolidation, the Option Plan Amendments and the Repricing; if approved, the effect that the Transaction, the Name Change, the Consolidation, the Option Plan Amendments and the Repricing will have on the business and operations of the Company; the ability of the Company to successfully achieve its business objectives; and expectations for other economic, business, and/or competitive factors.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflects management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: the Company's shareholders may not approve and the TSXV may not grant final approval of the Transaction, the Name Change, the Consolidation, the Option Plan Amendments and the Repricing; the potential impact of the announcement or consummation of the Transaction, the Name Change, the Consolidation, the Option Plan Amendments and the Repricing on relationships with regulatory bodies, employees, suppliers, customers and competitors; and changes in general economic, business and political conditions, including changes in the financial markets caused by COVID-19. This forward-looking information may be affected by risks and uncertainties in the business of the Company and market conditions. This information is qualified in its entirety by cautionary statements and risk factor disclosure contained in filings made by the Company with the Canadian securities regulators, including but not limited to, the Company's audited financial statements and related MD&A for the financial year ended December 31, 2019 filed with the securities regulatory authorities in certain provinces of Canada and available under the Company's profile on SEDAR at www.sedar.com.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

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