SQI DIAGNOSTICS EXTENDS MATURITY DATE OF PIVOT CREDIT FACILITY

/NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES OF AMERICA/

TORONTO, Feb. 28, 2023 /CNW/ - SQI Diagnostics Inc. ("**SQI**" or the "**Company**") (TSXV: SQD) (OTCQB: SQIDF), a leader in the science of lung health that develops and manufactures respiratory health and precision medicine tests, announces that SQI and Pivot Financial ("**Pivot**") have agreed to extend the maturity date of SQI's $7.5 million credit facility (the "**Credit Facility**") with Pivot from February 28, 2023 to April 30, 2023 (the "**Pivot Amendment**"). SQI paid Pivot an administrative amendment fee of $50,000 in connection with the Pivot Amendment. All other terms of the Credit Facility remain unchanged.

Credit Facility

As previously announced, the Company entered into a credit agreement with Pivot, an arm's length third party to the Company, relating to the extension of a short-term senior secured Credit Facility dated February 11, 2022 to satisfy the cash consideration payable by SQI pursuant to the Company's acquisition of substantially all of the assets underlying Precision Biomonitoring Inc.'s human diagnostic COVID-19 PCR testing business and its TripleLock™ molecular diagnostic testing technology and for general working capital. The Insider Lenders participated in funding 50% of the principal amount advanced under the Credit Facility pursuant to the terms of participation agreements entered into between Pivot and the Insider Lenders dated February 14, 2022, as amended.

For additional details relating to the Credit Facility please see the press release of the Company dated February 24, 2022.

Repayment of Credit Facility

The Company, working with its strategic and financial advisor, Clariti Strategic Advisors Inc., is in the process of identifying potential new sources of financing that could be used to repay the Company's outstanding indebtedness under the Credit Facility; however, there can be no assurances as to whether it will be successful in doing so nor can there be certainty with respect to the terms of any such new financing or financings. The Company will announce additional details relating to any new financing or financings in due course in the event that it is successful in negotiating and entering into definitive documentation relating to same.

About SQI Diagnostics

SQI Diagnostics are leaders in the science of lung health. We develop and manufacture respiratory health and precision medicine tests that run on SQI's fully automated systems. Our tests simplify and improve COVID-19 mobile PCR, Point of Care antigen testing and antibody monitoring, Rapid Acute Lung Injury testing, donor organ transplant informatics, and immunological protein and antibody testing. We're driven to create and market life-saving testing technologies that help more people in more places live longer, healthier lives. For more information, please visit www.sqidiagnostics.com.

Contact:
Morlan Reddock
Chief Financial Officer
437-235-6563
mreddock@sqidiagnostics.com

CAUTIONARY NOTES

This news release contains certain "forward-looking statements", including, without limitation, statements containing the words "will", "may", "expects", "intends", "anticipates" and other similar expressions which constitute "forward-looking information" within the meaning of applicable securities laws. Forward-looking statements reflect the Company's current expectation, assumptions and beliefs, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, but are not limited to, general economic and market factors, competition, the ability of the Company to repay its indebtedness under the Credit Facility and identify new viable sources of financing, the effects of recent and ongoing macroeconomic risks and uncertainties and potential related economic disruption, and the factors detailed in the Company's ongoing filings with the securities regulatory authorities, available at www.sedar.com. Although forward-looking statements contained herein are based on what management considers to be reasonable assumptions based on currently available information, there can be no assurance that actual events, performance or results will be consistent with these forward-looking statements, and our assumptions may prove to be incorrect. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable laws.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The securities of the Company have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States except pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

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

SOURCE SQI Diagnostics Inc.

c View original content to download multimedia:
http://www.newswire.ca/en/releases/archive/February2023/28/c4726.html

%SEDAR: 00021000E

CO: SQI Diagnostics Inc.

CNW 19:22e 28-FEB-23