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CounterPath Announces Private Placement

VANCOUVER, BC, Canada — July 18, 2017 — CounterPath Corporation (“CounterPath” or the “Company”) (NASDAQ: CPAH) (TSX: PATH), a global provider of award-winning, over-the-top (OTT) Unified Communications (UC) solutions for enterprises and carriers, announced today that it intends to complete a non-brokered private placement of up to 600,000 shares of common stock (each, a “Share”) of the Company at a price per Share equal to the greater of (i) the market price (as defined by the Toronto Stock Exchange (the “TSX”)) and (ii) the consolidated closing bid price per Share on the NASDAQ Capital Market immediately before acceptance of the subscriptions (the “Offering”). The Company’s two largest shareholders, Wesley Clover International Corporation and KMB Trac Two Holdings Ltd., the executive officers and certain employees intend to invest in the Offering.

The Offering is expected to close on or about July 20, 2017, or as soon as practicable thereafter, and is subject to approval from the TSX. The net proceeds from the Offering will be used to (1) buildout the Company’s Unified Communications-as-a-Service (UCaaS) offerings, (2) expand sales and marketing resources and (3) for general corporate purposes.

All of the securities to be issued by the Company in connection with the Offering will be subject to hold periods under Canadian and United States securities laws. None of the securities to be issued will be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any State where such offer, solicitation, or sale would be unlawful.

Any participation by insiders in the Offering would be a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) but will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 because neither the fair market value of the subject matter of the transaction nor the consideration paid will exceed 25% of the Company's market capitalization.

About CounterPath

CounterPath Unified Communications solutions are changing the face of telecommunications. An industry and user favorite, Bria softphones for desktop, tablet and mobile devices, together with Stretto Platform™ server solutions, enable operators, OEMs and enterprises large and small around the globe to offer a seamless and unified over-the-top (OTT) communications experience across both fixed and mobile networks. The Bria and Stretto combination enables an improved user experience as an overlay to the most popular UC and IMS telephony and applications servers on the market today. Standards-based, cost-effective and reliable, CounterPath’s award-winning solutions power the voice and video calling, messaging, and presence offerings of customers such as AT&T, Avaya, BroadSoft, BT, Cisco Systems, GENBAND, Metaswitch Networks, Mitel, NEC, Network Norway, Nokia, Rogers and Verizon.

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Forward-looking Statements

This news release contains "forward-looking statements". Statements in this news release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future such as the following: (1) CounterPath, a global provider of award-winning, over-the-top (OTT) Unified Communications (UC) solutions for enterprises and carriers, announced today that it intends to complete a non-brokered private placement of up to 600,000 shares of common stock of the Company at a price per Share equal to the greater of (i) the market price (as defined by the TSX) and (ii) the consolidated closing bid price per Share on the NASDAQ Capital Market immediately before the acceptance of the subscriptions; (2) the Offering is expected to close on or about July 20, 2017, or as soon as practicable thereafter, and is subject to approval from the TSX; the Company's two largest shareholders, Wesley Clover International Corporation and KMB Trac Two Holdings Ltd., the Company's executive officers and certain employees intend to invest in the Offering; and (4) the net proceeds received from the Offering will be used to (i) buildout the Company's Unified Communications-as-a-Service (UCaaS) offerings, (ii) expand sales and marketing resources and (iii) for general corporate purposes.

The forward-looking statements involve risks and uncertainties. It is important to note that actual outcomes and the Company's actual results could differ materially from those in such forward-looking statements. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others: (1) the variability in CounterPath's sales from reporting period to reporting period due to extended sales cycles as a result of selling CounterPath's products through channel partners or the length of time of deployment of CounterPath's products by its customers; (2) the Company's ability to manage its operating expenses, which may adversely affect its financial condition; (3) the Company's ability to remain competitive as other better financed competitors develop and release competitive products; (4) a decline in the Company's stock price or insufficient investor interest in the Company's securities which may impact the Company's ability to raise additional financing as required or may cause the Company to be delisted from a stock exchange on which its common stock trades; (5) the impact of intellectual property litigation that could materially and adversely affect CounterPath's business; (6) the success by the Company of the sales of its current and new products; (7) the impact of technology changes on the Company's products and industry; (8) the failure to develop new and innovative products using the Company's technologies; (9) the potential dilution to shareholders or overhang on the Company's share price of its outstanding stock options; and (10) the TSX not approving the Offering. Readers should also refer to the risk disclosures outlined in the Company's quarterly reports on Form 10-Q, annual reports on Form 10-K and other disclosure documents filed from time-to-time with the Securities and Exchange Commission at www.sec.gov and the Company's interim and annual filings and other disclosure documents filed from time-to-time on SEDAR at www.sedar.com. Subject to applicable law, the Company disclaims any obligation to update these forward-looking statements.