

WELL HEALTH TECHNOLOGIES CORP.
EARLY WARNING NEWS RELEASE

PRESS RELEASE
FOR IMMEDIATE RELEASE

Vancouver, British Columbia, October 3, 2023 – WELL Health Technologies Corp. (“**WELL**”), of 550-375 Water Street, Vancouver, BC, V6B 5C6, issues this press release as required by National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* and National Instrument 62-104 – *Take Over Bids and Issuer Bids* with respect to the acquisition of securities in HealWELL AI Inc. (formerly MCI OneHealth Technologies Inc.) (the “**Company**”), of 4881 Yonge Street, Suite 300, Toronto, Ontario, M2N 5X3.

On October 1, 2023, WELL acquired ownership of 4,000 debenture units (each, a “**Debenture Unit**”) of the Company through a private placement transaction at a price of \$1,000 per Debenture Unit for an aggregate purchase price of \$4,000,000 (the “**Transaction**”). Each Debenture Unit consists of \$1,000 principal amount unsecured convertible debenture (each, a “**Convertible Debenture**”) and 5,000 share purchase warrants (each, a “**Warrant**”). Each Convertible Debenture bears interest at a rate of 10.0% per annum and is convertible at WELL’s option into Class A Subordinate Voting Shares in the capital of the Company (each, a “**Class A Share**” and each Class A Share issuable upon conversion of a Convertible Debenture, a “**Convertible Debenture Share**”) at any time or from time to time, prior to October 1, 2028, at an initial conversion price (subject to standard adjustments) of \$0.20 per Convertible Debenture Share. Each Warrant entitles WELL to acquire one Class A Share of the Company (each, a “**Warrant Share**”) at a price of \$0.20 per Warrant Share until 5:00 p.m. (Toronto time) on October 1, 2028.

The Debenture Units were offered by the Company to WELL as part of a larger private placement offering (the “**Offering**”) to subscribers for gross aggregate proceeds of \$10,000,000, of which WELL was the lead subscriber. As lead subscriber, WELL entered into a subscription agreement with the Company dated July 19, 2023 (the “**Subscription Agreement**”), which contained the terms and conditions relating to the Convertible Debentures and Warrants as described above. WELL’s subscription consisted of an initial subscription of 2,500 Debenture Units on July 19, 2023, and a subsequent subscription of 1,500 Debenture Units on October 1, 2023, for a total of 4,000 Debenture Units acquired at closing of the Transaction. Additional information with respect to the Subscription Agreement and its material terms can be found in WELL’s early warning report, and in the Company’s Notice of Meeting and Management Information Circular dated August 21, 2023 (the “**Information Circular**”) which is available on [sedarplus.ca](https://www.sedarplus.ca).

Prior to the Transaction, WELL did not own or control, directly or indirectly, any securities of the Company.

Following the Transaction, WELL owned and controlled, directly and indirectly, the following securities of the Company:

- 4,000 Convertible Debentures convertible into 20,000,000 Class A Shares; and
- 20,000,000 Warrants to purchase an additional 20,000,000 Class A Shares.

At the time of the Transaction, the Company had authorized capital consisting of an unlimited number of Class A Shares, of which 53,869,773 Class A Shares were issued and outstanding. Following the Transaction, assuming the conversion of all Convertible Debentures and exercise of all Warrants held by WELL, directly or indirectly, WELL would directly and indirectly own and control 40,000,000 Class A Shares,

representing 42.6% of the issued and outstanding Class A Shares as at October 1, 2023, on a partially diluted basis.¹

WELL holds the securities of the Company and undertook the Transaction for investment purposes. Depending on economic or market conditions or matters relating to the Company, WELL may choose to either dispose of all or a portion of the securities or acquire additional securities of the Company.

As part of the Transaction, the Company changed its name from MCI OneHealth Technologies Inc. to HealWELL AI Inc. and changed its TSX ticker symbol to AIDX. Both changes received approval from the TSX.

Pursuant to an investor rights agreement (the “**Investor Rights Agreement**”) entered into in connection with the Transaction, WELL has the right to nominate up to two directors of the Company (the “**WELL Nominees**”), increasing to a majority of the directors in the event that WELL holds more than 20% of the voting rights attached to all voting securities of the Company. The WELL Nominees have been appointed as directors of the Company effective as of October 1, 2023.

In addition to the Transaction, WELL Health Clinic Network Inc. (“**WHCN**”), a wholly-owned subsidiary of WELL, entered into an asset purchase agreement (the “**Asset Purchase Agreement**”) with MCI Medical Clinics Inc. (“**MCI Medical**”), a wholly-owned subsidiary of the Company, pursuant to which WHCN purchased certain assets of MCI Medical including, without limitation, accounts receivable, equipment, inventory, permits, contracts, benefits, rights, data, books and records, intellectual property, and goodwill relating to select Ontario clinics owned by MCI Medical, for an aggregate gross purchase price of \$1,500,000, as more fully described in the Company’s Information Circular available on [sedarplus.ca](https://www.sedarplus.ca).

WELL further entered into a number of other agreements ancillary to the Transaction, which, along with the Call Option Agreement, Investor Rights Agreement and Asset Purchase Agreement, are more fully described in WELL’s early warning report and in the Company’s Information Circular which is available on [sedarplus.ca](https://www.sedarplus.ca).

¹ Pursuant to a call option agreement (the “**Call Option Agreement**”) entered into in connection with the Transaction, WELL was granted a call option (the “**Call Option**”) from the Company’s founding shareholders, Dr. Sven Grail (“**Dr. Grail**”) and Dr. George Christodoulou (“**Dr. Christodoulou**”), which gives WELL the right to acquire up to 30.8 million Class A Shares and 30.8 million Class B Multiple Voting Shares (“**Class B Shares**”) of the Company from Dr. Grail and Dr. Christodoulou collectively. Dr. Grail owns 15.4 million Class A Shares and 15.4 million Class B Shares of the shares subject to the Call Option and Dr. Christodoulou owns the remaining 15.4 million Class A Shares and 15.4 million Class B Shares subject to the Call Option (together, the “**Optioned Shares**”). The Call Option is exercisable for up to 36 months post-completion of the Transaction and its exercise is conditional on the achievement by the Company of a number of performance milestones designed to demonstrate improvements in the Company’s financial and capital markets performance, as well as obtaining any required Toronto Stock Exchange (“**TSX**”) or regulatory approvals. The Call Option can only be exercised in pairs, such that WELL must concurrently acquire a Class A Share and a Class B Share. The Call Option cannot be exercised if the exercise would result in WELL owning in excess of 19.9% of the issued and outstanding shares of the Company, unless the Company has received the approval, a waiver or an exemption from the TSX with respect to WELL as a new control person of the Company in accordance with TSX policies. Until the Call Option is exercised and their ownership transfers to WELL, the Optioned Shares remain under the control of Dr. Grail and Dr. Christodoulou subject to certain restrictions on transfer and voting as described in WELL’s early warning report. As such, the Optioned Shares are not deemed to be beneficially owned by WELL on the closing of the Transaction within the meaning of National Instrument 62-104 – *Take-over Bids and Issuer Bids*. Additional information with respect to the Call Option Agreement can be found in WELL’s early warning report, and in the Company’s Information Circular which is available on [sedarplus.ca](https://www.sedarplus.ca).

For further information or to obtain a copy of the report, please contact:

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