



Cloud DX Inc. Announces \$3 Million Brokered Private Placement of Convertible Debenture Units

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WATERLOO, ON / September 1, 2021 / Cloud DX Inc. ("**Cloud DX**" or the "**Company**") (TSXV:CDX) is pleased to announce that it has entered into an agreement with Echelon Wealth Partners Inc. ("**Echelon**") pursuant to which Echelon has agreed to act as lead agent and sole book runner on behalf of a syndicate of investment dealers (collectively with Echelon, the "**Agents**") in connection with a brokered private placement of up to 3,000 convertible debenture units (the "**Convertible Debenture Units**") at a price of \$1,000 per Convertible Debenture Unit for aggregate gross proceeds of up to \$3,000,000 (the "**Offering**"). The Agents have an option to sell up to 450 additional Convertible Debenture Units for maximum aggregate gross proceeds under the Offering of \$3,450,000.

Pursuant to the Offering, each Convertible Debenture Unit will be comprised of \$1,000 principal amount unsecured convertible debenture (each, a "**Debenture**") and [1,430] common share purchase warrants of the Company (each, a "**Warrant**"). The Debentures will mature on the date that is 36 months from the date of issuance (the "**Maturity Date**") and shall bear interest at a simple rate of 10% per annum. Interest will be payable quarterly on the last business day of each quarter, commencing on December 31, 2021. The principal amount of the Debentures, or any portion thereof, may be converted at the election of the holder thereof into common shares in the capital of the Company ("**Common Shares**") at a conversion price of \$[0.35] per Common Share (the "**Conversion Price**") at any time prior to the Maturity Date. Each Warrant will entitle the holder thereof to acquire one Common Share at a price of \$0.50 per Common Share for a period of 24 months from the closing date of the Offering.

The Company has agreed to: (i) pay the Agents a cash fee equal to 8% of the gross proceeds raised from the Offering (reduced to 3% for subscribers identified on the Company's president's list); and (ii) issue to the Agents such number of non-transferable Common Share purchase warrants (the "**Agents' Warrants**") as is equal to 8% of the gross proceeds raised from the Offering (reduced to 3% for subscribers identified on the Company's president's list) divided by the Conversion Price. Each Agents' Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of \$[0.35] per Common Share for a period of 24 months from the closing date of the Offering.

The Company intends to use the net proceeds of the Offering for sales, marketing, research and development, and for general working capital purposes. The Company expects the closing date of the Offering to occur on or about September 23, 2021.

The Convertible Debenture Units, Debentures, Warrants, and any securities issuable upon conversion or exercise thereof, will be subject to a statutory hold period of four months and one day from the date of issuance of the Convertible Debenture Units. The Offering is subject to final approval by the TSX Venture Exchange.

The Convertible Debenture Units will be offered and sold by private placement in Canada pursuant to exemptions from the prospectus requirements under National Instrument 45-106 - *Prospectus Exemptions*, and in certain other jurisdictions on a basis which does not require the qualification or registration of the Convertible Debenture Units, Debentures, Warrants, or any underlying securities.

About Cloud DX

Accelerating virtual healthcare's future Cloud DX is making healthcare better for everyone. The Company's Connected Health remote patient monitoring platform is used by healthcare enterprises and care teams across North America to virtually manage chronic disease, enable aging in place and deliver hospital-quality post-surgical care. **Providers partnering with Cloud DX achieve better healthcare and patient outcomes, reduce the need for hospitalization/rehospitalization and reduce the costs of healthcare delivery through more efficient use of resources. Cloud DX is the co-winner of the Qualcomm Tricorder XPRIZE, a 2021 Edison Award winner, a Fast Company "World Changing Idea" finalist and one of "Canada's Ten Most Prominent Telehealth Providers."**

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. The TSX Venture Exchange has in no way passed upon the merits of the Offering and has neither approved nor disapproved the content of this press release.

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Social Links

Twitter: <https://twitter.com/CloudDX>

Facebook <https://www.facebook.com/clouddxinc/>

LinkedIn <https://www.linkedin.com/company/cloud-dx/>

Instagram <https://www.instagram.com/cloud.dx/>

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Forward Looking Statements

This news release contains forward-looking statements and information within the meaning of applicable securities legislation. Often, but not always, forward-looking statements and information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or 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. Forward looking statements or information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this news release. In particular, this news release includes certain forward-looking statements concerning the Offering, including the expected proceeds, the expected closing date, and the use of the net proceeds, as well as management's objectives, strategies, beliefs and intentions.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, information concerning the closing of the Offering, the receipt of approval from the TSX Venture Exchange, the use of proceeds and the Company's marketing and research and development strategies and the expected benefits thereof.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information.

*The securities of the Company have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referenced in this press release, in any jurisdiction in which such offer, solicitation or sale would be unlawful.*

SOURCE: Cloud DX Inc.

