



PRINCIPAL TECHNOLOGIES INC. ANNOUNCES CTO LIFTED, PRIVATE PLACEMENT AND APPOINTS NEW CFO

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Vancouver, British Columbia – March 6, 2023 – Principal Technologies Inc. (the “**Company**”) (TSXV: **PTEC.P**), is pleased to announce that the Cease Trade Order (CTO) of the Company on the TSX Venture Exchange (the “**TSXV**”), imposed by the British Columbia Securities Commission (the BCSC) on December 2, 2022 (press release dated December 7, 2022), has been revoked and its common shares have resumed trading on the TSXV.

The Company would like to welcome Mr. Peter McKeown, who has been appointed Chief Financial Officer (“**CFO**”) and Corporate Secretary of the Company effective March 6, 2023 replacing the Company’s CFO and Corporate Secretary, Mr. Frank Stronach.

Mr. McKeown has been involved in the start-up and growth of businesses throughout his 40 year career. He has served in various executive capacities including President, CFO and Director of many public companies, primarily in the oil & gas, mineral exploration and technology sectors. He has been a Vice-President of Player Capital Corporation since 2011, which provides financial and managerial expertise to growing organizations. Prior thereto he was the CFO of Axia Netmedia Corporation for over a decade. Peter obtained his CPA in 1980 while employed with KPMG.

The Company thanks Mr. Stronach for his many contributions to the Company and wishes him well in his retirement.

The Company is pleased to announce a non-brokered financing of up to 7,000,000 units at \$0.10 for gross proceeds of up to \$700,000 (the “**Private Placement**”). Each unit (a “**Unit**”) will consist of one common share (a “**Share**”) of the Company and one common share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder to purchase one additional common share of the Company at \$0.12 for a period of three (3) years from the date of closing. Proceeds of the Private Placement will be used in part to secure options for participations in targets that will increase intrinsic value of the Company and for general working capital.

The Company also announces that it has agreed to settle the outstanding debt owed by the Company to certain directors of the Company (the “**Creditors**”) on account of unpaid director fees. The principal amount of the debt of €87,500 (C\$126,000) (the “**Debt**”) will be settled 50% in cash payments and 50% in Debt Shares (the “**Debt Shares**”), through the issuance of 630,000 Debt Shares and Creditor debts in the amount of €43,750 (C\$63,000). The Debt Shares are being issued at a deemed price of \$0.10 per share, in accordance with the policies of the TSXV. The Company is choosing to settle the indebtedness through the issuance of Shares to preserve cash and improve the Company's balance sheet.

The issuance of the Private Placement Units and the Debt Shares to the Creditors will constitute a “related party transaction” within the meaning of the Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) and Policy 5.9 of the TSXV. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as neither the fair market value of the Debt Shares nor the debt exceeds 25% of the Company's market capitalization.

Closing of the Private Placement and the shares-for-debt transaction are subject to approval of the TSXV and completion of final documentation. The securities to be issued under the Private Placement and shares-for-debt transaction are subject to a four (4) month plus one day hold period from the date of the issuance.

Forward-looking statements:

“This press release contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws. This information and statements address future activities, events, plans, developments and projections. All statements, other than statements of historical fact, constitute forward-looking statements or forward-looking information. Such forward-looking information and statements are frequently identified by words such as “may,” “will,” “should,” “anticipate,” “plan,” “expect,” “believe,” “estimate,” “intend” and similar terminology, and reflect assumptions, estimates, opinions and analysis made by management of Principal Technologies Inc. in light of its experience, current conditions, expectations of future developments and other factors which it believes to be reasonable and relevant. Forward-looking information and statements involve known and unknown risks and uncertainties that may cause Principal Technologies Inc.’s actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and accordingly, undue reliance should not be placed thereon.

Risks and uncertainties that may cause actual results to vary include but are not limited to the availability of financing; fluctuations in commodity prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management’s Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com. Principal Technologies Inc. disclaims any obligation to update or revise any forward-looking information or statements except as may be required.”

Neither 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 news release.

ON BEHALF OF THE BOARD

Jerry Trent, Chief Executive Officer
Principal Technologies Inc.

For investor inquiries or further information, please contact:
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