



PRINCIPAL TECHNOLOGIES CLOSES PRIVATE PLACEMENT FINANCING AND DEBT SETTLEMENT TRANSACTIONS

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UNITED STATES/**

VANCOUVER, BC, July 9, 2026 /CNW/ - PRINCIPAL TECHNOLOGIES INC. (TSXV: PTEC) (FWB: JO7) (the "**Company**") announces that, further to its news release of June 3, 2026, the Company has closed its non-brokered private placement financing (the "**Offering**") with the issuance of 2,200,027 common shares of the Company (the "**Common Shares**") at a price of \$0.50 per Common Share for aggregate gross proceeds of \$1,100,013.50.

The proceeds from the Offering will be used toward the Company's research and development funding obligations and for general working capital purposes. No finder's fees were paid in respect of the Offering.

The Common Shares are subject to a statutory hold period expiring November 10, 2026, being the date that is four months and one day from the date of issuance in accordance with applicable Canadian securities legislation. The Offering remains subject to final acceptance by the TSX Venture Exchange.

Debt Settlements

The Company also announces that it has settled an aggregate of \$1,218,370.75 in outstanding debt through the issuance of an aggregate of 2,436,741 common shares of the Company (the "**Debt Settlement Shares**") at a deemed value of \$0.50 per Debt Settlement Share (the "**Debt Settlement Transactions**").

Pursuant to the Debt Settlement Transactions, the Company settled an aggregate of \$186,100 owed to arm's-length creditors for services provided, and \$1,032,270.75 owed to two non-arm's-length creditors to satisfy repayment of previously issued promissory notes of the Company in the aggregate principal amount of \$1,003,100 plus accrued interest in the amount of \$29,170.75.

The Debt Settlement Shares issued pursuant to the Debt Settlement Transactions are also subject to a statutory hold period expiring November 10, 2026, being the date that is four months and one day from the date of issuance in accordance with applicable securities legislation. The Debt Settlement Transactions remain subject to final acceptance by the TSX Venture Exchange.

Related Party Participation in the Debt Settlement Transactions

The participation of two significant shareholders, each of whom is an insider of the Company as a result of such security holdings, in the Debt Settlement Transactions constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**").

The Company relied on the exemptions from the formal 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, on the basis that neither the fair market value of the securities issued to such insiders, nor the consideration for such securities, exceeded 25% of the Company's market capitalization.

The Common Shares and Debt Settlement Shares described herein 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 or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to available exemptions therefrom. This release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States.

About Principal Technologies

Principal Technologies Inc. is a Canadian-based healthcare technologies acquisition company. The Company is engaged in building a portfolio of profitable healthcare technology companies with a focus on those with global distribution potential which have intellectual property capable of enhancing medical treatment quality, cost efficiency, optimization of the patient pathway, and implementation of point of care technologies.

ON BEHALF OF THE BOARD

Jerry Trent, Chief Executive Officer
Principal Technologies Inc.

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

Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking information" and "forward-looking statements", collectively, "forward-looking statements", within the meaning of applicable Canadian securities legislation. Forward-looking statements are based on the expectations, estimates, projections, assumptions and beliefs of management of the Company as of the date of this news release. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements in this news release include, without limitation, statements relating to the expected use of the proceeds from the Offering, the receipt of final acceptance of the Offering and the Debt Settlement Transactions by the TSX Venture Exchange, and the Company's business objectives and strategy.

Forward-looking statements are often, but not always, identified by words or phrases such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "proposes", "may", "would", "could", "will", "should", "continue", "potential", "target", "objective" and similar expressions, or statements that certain events, conditions or results "may", "will", "would", "could" or "should" occur or be achieved.

Forward-looking statements are based on a number of assumptions that management considers reasonable as of the date of this news release, including, without limitation, that the Company will obtain final acceptance of the Offering and the Debt Settlement Transactions from the TSX Venture Exchange, that the proceeds of the Offering will be used as currently proposed, that the Company's current and future business plans remain viable, and that general business, economic, market and regulatory conditions will not materially adversely change.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors

that may cause actual results, events or developments to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, the risk that the Company may not receive final acceptance of the Offering and the Debt Settlement Transactions from the TSX Venture Exchange, that the Company may use the proceeds of the Offering differently than currently proposed as circumstances change, and risks relating to market conditions, regulatory requirements, capital markets, the Company's business and operations, and other risks generally associated with the Company and its industry.

Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance, and actual results may differ materially from those expressed or implied by such statements. Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by applicable securities laws, the Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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CO: Principal Technologies Inc.

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