



LENDIFIED ANNOUNCES COMMON SHARE SUBSCRIPTION AGREEMENT WITH INVESTOR

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August 17, 2022 – Toronto, Ontario – Lendified Holdings Inc. (TSXV:LHI) (the “**Company**” or “**Lendified**”) is pleased to announce that it has entered into a Common Share Subscription Agreement (the “**Subscription Agreement**”) with a third-party investor in the Company (the “**Investor**”). The Subscription Agreement allows the Company to issue and sell up to \$10,000,000 of common shares in the capital of the Company (the “**Common Shares**”), not to exceed such number of Common Shares that would cause the Investor to hold over 9.99% of the issued and outstanding Common Shares, from treasury to the Investor, from time to time, in a series of closings (each, a “**Draw Closing**”) at the Company's discretion and on the terms and subject to the conditions set out in the Subscription Agreement. For each Draw Closing, the Common Shares will be issued on a private placement basis.

Issuances of the Common Shares to the Investor will be made pursuant to the terms of the Subscription Agreement which provides that, in order to fix a date for a Draw Closing, the Company must issue a notice (each, a “**Draw Notice**”) to the Investor of such intention to draw under the Subscription Agreement on or prior to the tenth trading day in each calendar month. The Draw Notice shall set out the amount of subscription proceeds to be paid by the Investor to the Company (the “**Draw Amount**”) in respect of such Draw Closing, together with the number of Common Shares that will be issued to the Investor. The aggregate Draw Amount in any given calendar month shall be a minimum of \$10,000 and a maximum of \$150,000, subject to increase by agreement between the parties, and provided that the Draw Amount will not result in the Investor becoming an Insider under the policies of the TSX Venture Exchange (“**TSXV**”). The issue price per Common Share for a Draw Closing shall be equal to: (i) if the market price of the Common Shares on the TSXV is greater than \$0.055 per share, the volume weighted average price of the Common Shares on the TSXV, for the twenty (20) trading days preceding the last trading day of the Common Shares on the TSXV prior to the Company delivering a Draw Notice to the Investor, less 9.9% (subject to a minimum of \$0.05 per share); and (ii) if the market price of the Common Shares on the TSXV are equal to or less than \$0.055 per share, the market price (subject to a minimum of \$0.01 per share).

The Subscription Agreement will remain in force and effect until the earlier of: (i) termination by either the Company or the Investor, on thirty (30) days' prior written notice; (ii) the date on which \$10,000,000 aggregate Draw Amount is reached; (iii) the date on which a material adverse effect or a change of control has occurred in respect of the Company; and (iv) the date on which the parties mutually agree in writing to terminate the Subscription Agreement.

Throughout the term of the Subscription Agreement, the Company may issue no more than one Draw Notice per calendar month for such Draw Amounts as it may elect, provided that certain conditions, including the following, are met: (i) the Draw Amount in any one Draw Notice can be no less than \$10,000 and no more than \$150,000; (ii) the aggregate amount of all Draw Amounts during the term of the Subscription Agreement shall be no greater than \$10,000,000; (iii) the issuance of Common Shares in the Draw Notice will not result in the Investor holding more than 9.99% of the issued and outstanding Common Shares; (iv) the Common Shares issued pursuant to the Draw Notice shall have been conditionally approved for listing by the TSXV; (v) on the trading day prior to the delivery of the Draw Notice, the daily trading volume of

the Common Shares on the TSXV is not less than the 30-day average trading volume of the Common Shares on the TSXV; and (vi) on the trading day prior to the delivery of the Draw Notice, the 10-day trading volume of the Common Shares on the TSXV is not greater than 10% of the 30-day average trading volume of the Common Shares on the TSXV.

The Subscription Agreement provides the Company with enhanced flexibility and access to capital should future additional financing be required, and it may be activated if and as deemed appropriate. The Company intends to use the net proceeds from the Draw Closings, if any, for general corporate purposes.

In connection with each Draw Closing and if permitted by the TSXV, the Company will pay the Investor a draw fee equal to 5% of the applicable Draw Amount. There is no agent or underwriter involved with the issuance of the Common Shares, and no party is receiving a commission or finder's fee in connection with the Subscription Agreement. As at the date hereof, no Common Shares have been distributed by the Company pursuant to the Subscription Agreement, resulting in aggregate proceeds of \$NIL to the Company under the Subscription Agreement.

ABOUT LENDIFIED HOLDINGS INC.

Lendified, a company located in Ontario, Canada, is a Canadian company operating a lending platform which provides working capital loans to small and medium-sized businesses across Canada.

Further Information

For further information regarding Lendified, please contact:

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Neither the 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 release.

This news release may contain forward-looking statements which reflect the Company's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including the number of Common Shares that may be sold under the Subscription, whether the Subscription Agreement will be approved by the TSXV or if the proceeds of the Draws under the Subscription Agreement will be sufficient for the Company's purposes, whether the effects of the COVID-19 pandemic will be even more severe than it has been to date, any of which could cause results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Many risks are inherent in the industries in which the Company participates; others are more specific to the Company. The Company's ongoing quarterly filings should be consulted for additional information on risks and uncertainties relating to these forward-looking statements. Investors should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise.