Zonetail Failure-to-File Cease Trade Order

Toronto, Ontario - May 8, 2024 - Zonetail Inc. (“Zonetail” or the “Company”) (TSXV: ZONE) (OTC Pinks: ZTLLF) announces that the Ontario Securities Commission (the "OSC") has notified the Company that it has issued a failure-to-file cease trade order (the "FFCTO") against the Company under Multilateral Instrument 11-103 - Failure-to-File Cease Trade Orders in Multiple Jurisdictions. The Company applied for a management cease trade order and regrets the decision of the OSC in issuing a FFCTO. The FFCTO was issued as a result of the Company's delay in filing its annual financial statements, accompanying MD&A and CEO and CFO certifications for the fiscal year ended December 31, 2023 (the "Required Filings") beyond the regulatory deadline of April 29, 2024.

The Company's delay in filing its Required Filings by the Filing Deadline is due to unexpected delays in commencing the audit of the Company, which is being carried out by MNP LLP, the Company's auditor (the "Auditor"). The Company expects to be in a position to issue and file the Required Filings between May 17, 2024 and May 24, 2024.

The FFCTO prohibits any trading, whether direct or indirect, in respect of all securities of the Company, including trades in the Company's common shares made through the TSX Venture Exchange, until such time as the Company is able to complete the filing of the Required Filings and successfully apply for a revocation of the FFCTO. If the Required Filings are filed within 90 days (expected no later than May 24, 2024) of the date of the FFCTO, such filings will constitute the Company's application to have the FFCTO revoked. There can be no assurance that the FFCTO will be revoked on the timeline contemplated by the Company. The Company will continue to engage with the OSC as necessary during this time and will provide further updates on the FFCTO and the filing of the Required Filings as and when appropriate.

The Company expects to file its Required Filings well before as noted above the expiration of the three-month period after the Filing Deadline as prescribed by NP 12-203. Further, the Company has confirmed that it intends to satisfy the provisions of the alternative information guidelines described in Sections 9 and 10 of NP 12-203 for so long as it remains in default for failure to file the Required Filings.

The Company confirms that it is not subject to any insolvency proceeding as of the date hereof. The Company also confirms that there is no other material information concerning the affairs of the Company that have not been generally disclosed as of the date herein.

About Zonetail

Zonetail Inc. (TSXV: ZONE) (OTC Pink: ZTLLF) is a mobile platform and market network. Our Mission is to provide a state-of-the-art mobile platform that enables high-rise residents to better manage their homes by connecting people to products, amenities, and services. Our Vision is to build a critical mass of users in the hard-to-reach, high rise residential vertical, through a unique mobile market network model - providing vital information, products, and services at the tap of a screen. We are the search engine to optimize your home. Zonetail is partnered with Yardi, Shiftsuite and now MRI Software which together account for an estimated 50 million households across North America.

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Legal Disclaimer and Forward-Looking Statements
This press release contains forward-looking statements that relate to Zonetail's current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as “may”, “will”, “expect”, “anticipate”, “aim”, “estimate”, “intend”, “plan”, “seek”, “believe”, “potential”, “continue”, “is/are likely to” or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Certain matters discussed in this announcement contain statements, estimates and projections about the growth of Zonetail's business, potential distribution partnerships and/or clients, and related business strategy. Such statements, estimates and projections may constitute forward-looking statements within the meaning of the federal securities laws. Factors or events that could cause our actual results to differ may emerge from time-to-time. Zonetail undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The recipient of this information is cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are based on certain assumptions and analysis made by Zonetail in light of its experience and perception of historical trends, current conditions and expected future developments and other factors Zonetail believes are appropriate, and, are subject to risks and uncertainties. Although Zonetail believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, prospective purchasers should not place undue reliance on these forward-looking statements.