

## PopReach Closes US\$33M in Credit Facilities with Bank of Montreal

*New Facility consolidates debt under a single lender, reduces the Company's cost of capital, and provides up to an additional US\$15 million acquisition line to support execution of the Company's M&A strategy*

**TORONTO, ONTARIO – May 12, 2022** – PopReach Corporation ("**PopReach**" or the "**Company**") (TSXV: POPR, OTCQX: POPRF) today announced that it has closed the senior secured credit facilities previously announced by the Company on April 18, 2022 (the "**Facilities**") with the Bank of Montreal ("**BMO**" or the "**Lender**"). The Facilities consist of a US\$8 million revolving facility ("**Revolver**"), a US\$25 million non-revolving term facility ("**Term Loan**"), and an "accordion" option for up to an additional US\$15 million acquisition facility on the Term Loan subject to Lender and other typical approvals discussed below ("**Acquisition Line**") to support the Company's M&A growth strategy. The Term Loan, drawn in its entirety, along with US\$2.3 million of cash on hand was used to repay the Company's prior senior secured credit facility, as well as all debt assumed by the Company upon completion of the business combination transaction with Federated Foundry as previously announced by the Company on April 28, 2022. The Revolver remains undrawn, and the Company has no debt outstanding other than US\$25 million on the Term Loan.

"The closing of these Facilities with the Bank of Montreal as our long-term lending partner comes at an ideal time as we look to execute against our broadened M&A pipeline since the business combination with Federated Foundry," said Christopher Locke, President of PopReach. "Although valuations in the private markets have not been impacted to the same degree that they have in the public markets, we are seeing the number of targets within our acquisition parameters increase, and as a cash generating business at scale we view ourselves as uniquely positioned to drive value accretion through M&A."

The Facilities bear interest at a rate of the Lender's U.S. Base Lending Rate, currently 4.50%, plus an applicable margin. The Facilities will amortize monthly beginning the first full quarter post-closing, with repayments of 55% of the amount drawn over a three year period. Interest on the Facilities will be payable monthly in arrears. The Acquisition Line allows the Company to request, on 60 days written notice, up to an additional US\$15 million on the Term Loan to fund future acquisitions, subject to the Lender's approval, the acquisitions meeting prescribed terms and requirements, and other customary conditions. The Facilities are guaranteed by the material subsidiaries of PopReach and secured by a first ranking security interest in favour of the Lender over all of the assets and properties of the Company and the guarantors, subject to customary permitted liens approved by the Lender.

For additional information on the business combination transaction with Federated Foundry, including assumed debt, please see the Company's management information circular dated February 14, 2022 filed on SEDAR at [www.sedar.com](http://www.sedar.com).

## **About PopReach Corporation**

PopReach, a Tier 1 Issuer on the TSX Venture Exchange, with shares also trading on OTCQX® Best Market, is a multi-platform technology company focused on acquiring, optimizing and growing companies and assets that provide services, technology or products within the digital media ecosystem. The Company's portfolio includes: PopReach Games, a free-to-play mobile game publisher with over 25 games enjoyed by millions of players; notifyAI, a push notification subscription and monetization platform; Q1Media, a digital media advertising services provider; and Contobox, an award-winning personalization, eCommerce and creative advertising technology platform.

Additional information about the Company is available at [www.sedar.com](http://www.sedar.com).

## **For further information:**

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## **Cautionary Statement Regarding Forward-Looking Information**

*This news release contains "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking information generally refers to information about an issuer's business, capital, or operations that is prospective in nature, and includes future-oriented financial information about the issuer's prospective financial performance or financial position.*

*PopReach made certain material assumptions, including but not limited to: prevailing market conditions; general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; and the ability of the resulting issuer to execute and achieve its business objectives, to develop the forward-looking information in this news release. 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.*

*Actual results may vary from the forward-looking information in this news release due to certain material risk factors. These risk factors include, but are not limited to: adverse market conditions; the unavailability of exemptions from prospectus requirements for the issuance of PopReach common shares; the risks associated with the marketing and sale of PopReach common shares; refusal of the proposed directors or officers to act for any reason, including conflicts of interest; reliance on key and qualified personnel; and regulatory and other risks associated with the technology, media and digital gaming industries in general. The foregoing list of material risk factors and assumptions is not exhaustive.*

*PopReach assumes no obligation to update or revise the forward-looking information in this news release, unless it is required to do so under Canadian securities legislation.*

# POPREACH

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