



Clip Money Inc. Announces New Convertible Note Financing

TORONTO, Ontario, March 28th, 2023 – Clip Money Inc. (TSX-V: CLIP) (OTCQB: CLPMF) (“**Clip Money**” or the “**Company**”), a company that operates a multi-bank self-service deposit system for businesses, is pleased to announce that it has modified the structure of its previously announced non-brokered private placement of units, as described in its press release on February 22, 2023. The modified private placement (the “**New Offering**”) will be for note units of the Company (the “**Note Units**”) at a price of \$1,000 per Note Unit for gross proceeds of up to CAD\$1,000,000 (the “**Offering Size**”). The Offering Size may be increased at the discretion of the Company and upon TSXV approval. Each Note Unit will consist of one 10% unsecured convertible note with a principal amount of \$1,000 (each a “**Note**”) and 769 common share purchase warrants of the Company (each, a “**Warrant**”).

Each Note issued under the New Offering will be due and payable on the date that is 36 months from the date of issuance (the “**Maturity Date**”). On the Maturity Date, payment of the principal amount of each Note may be satisfied through the conversion of the Note into common shares of Clip Money (the “**Common Shares**”) or in cash, at the sole discretion of the Company and subject to the approval of the TSX Venture Exchange (the “**TSXV**”). If the principal amount is satisfied in Common Shares, the number of Common Shares to be granted to each holder of Notes on the Maturity Date will be equal to the total principal amount held by such holder divided by \$0.65 (the “**Conversion Price**”). The Notes will bear interest at the rate of 10% per annum, payable quarterly. The Company may elect, at its sole discretion and upon TSXV approval, to satisfy all or a portion of the accrued and unpaid interest in cash or by issuing Common Shares based on the then prevailing market price of the Common Shares at the time of issuance.

The Company will have the option (but not the obligation) to force the conversion of the principal amount of each of the then outstanding Notes on not more than 60 days’ and not less than 10 days’ notice (i) at the Conversion Price, in the event that the daily volume weighted average trading price of the Common Shares on the TSXV is greater than \$1.30 per share for 10 consecutive trading days of the Common Shares on the TSXV preceding such notice, or (ii) in connection with a qualified equity or similar financing (either qualified by a prospectus or by way of a private placement) involving Common Shares, or warrants exercisable for Common Shares, resulting in aggregate gross proceeds to the Company of not less than USD\$5 million.

Each Warrant issued under the New Offering will entitle the holder thereof to purchase one Common Share at an exercise price of CAD\$0.85 for a period of 36 months following the issuance of the Units. The expiry date of the Warrants will be subject to an acceleration right in favour of the Company that is exercisable if the common shares of the Company trade at or above a volume-weighted average trading price of CAD\$1.70 on the TSXV on any 10-consecutive trading days following the closing date of the New Offering. If the acceleration right is exercised by the Company, the Warrants will expire on the 30th day after the Company issues a press release announcing that it has exercised such acceleration right.



The Company has engaged certain finders (each a “**Finder**”) for the purpose of obtaining investor participation in the Private Placement (“**Referred Investors**”). The Company has agreed to pay each Finder a cash commission equal to 7.0% of the gross proceeds received from the sale of Units to Referred Investors and to issue warrants to each Finder (the “**Finder Warrants**”) equal to 7.0% of the number of Warrants issued to Referred Investors, which Finder Warrants shall be exercisable at a price of CAD\$0.85 for a period of 36 months following issuance of the Units to the Referred Investors.

Insiders may participate in the Private Placement and will be considered a related party transaction subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company intends to rely on exemptions from the formal valuation and minority shareholder approval requirements provided under subsections 5.5(a) and 5.7(a) of MI 61-101 on the basis that participation in the Private Placement by insiders will not exceed 25% of the fair market value of the Company’s market capitalization.

Closing of the New Offering is subject to Clip Money obtaining all necessary corporate and regulatory approvals, including approval of the TSXV. All securities to be issued to Canadian investors in connection with the New Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation in Canada.

The Company intends to use the net proceeds from the New Offering for network expansion and customer acquisition, new unit capital expenditures, business operations and technology and for general corporate purposes. Closing of the New Offering is expected to occur before the end of April 2023.

About Clip Money Inc.

Clip Money operates a multi-bank self-service deposit system for businesses through its ClipDrop Boxes that gives users the capability of making deposits outside of their bank branch at top retailers and shopping malls. Rather than having to go to their personal bank branch or using a cash pickup service, businesses can deposit their cash at any ClipDrop Box located near them. After being deposited, the funds will automatically be credited to the business’ bank account, usually within one business day. The Company combines functional hardware, an intuitive mobile app and an innovative cloud-based transaction engine that maximizes business banking transactions. Combined with mobile user applications, Clip Money offers a cost-effective and convenient solution for business banking deposits in metropolitan statistical areas across Canada and the United States. For more information about the Company, visit www.clipmoney.com.

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.



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