



Clear Blue Technologies International Signs Definitive Agreement to Purchase eSite Power Systems with Coincident Private Placement Financing

Acquisition expands product portfolio to larger systems and telecom retrofit market with potential to accelerate timing to cash breakeven

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TORONTO, Dec. 21, 2022 -- Clear Blue Technologies International Inc. ("Clear Blue or the Company") (TSXV:CBLU) announces, signed today, a definitive agreement to acquire all of the outstanding shares of eSite Power Systems AB ("eSite"), a telecom site power systems provider located in Lidköping, Sweden. Once the transaction is completed, eSite will become a wholly owned subsidiary of Clear Blue.

Coincident with the definitive agreement, the Company announces a non-brokered private placement for gross proceeds of up to approximately CAD\$2,500,000 (the "Offering"). A first tranche has closed, raising gross proceeds of CAD\$1,261,668 with certain members of Clear Blue's management and board of directors investing CAD\$587,000. The Company plans to close a second tranche for gross proceeds of up to CAD\$1,238,332, with certain eSite key investors contributing up to CAD\$762,500. Both the acquisition and the private placement are subject to TSXV approval.

"eSite currently has over 1,000 power systems operating in the field that can benefit from Clear Blue's Illumience software and management service," said Clear Blue CEO Miriam Tuerk. "Their technology and broad customer base dovetail nicely with Clear Blue, providing significant expansion opportunities in our key markets. Combined with the Offering, management is confident the acquisition can help drive Clear Blue to cash flow breakeven in 2023, as evidenced by management's substantial participation in the financing."

eSite Acquisition

The purchase of eSite will be financed with the issuance of 3,000,000 Clear Blue common shares issued to the shareholders of eSite and is being completed on a cash-free, debt-free basis. As part of the transaction, Pegroco Invest AB is guaranteeing certain vendor commitments by eSite through 2023.

eSite has been providing power systems to the telecom market since 2007. The current product offering provides a patented, sealed, tamper-proof solution for outdoor telecom sites featuring the only passive cooling solution in the market today. With over 1,000 installs primarily in Africa, eSite's technology is proven in the field, has had strong reliability testing, and received significant customer interest. For Clear Blue, eSite provides a product line extension to the current Nano-Grid and Pico-Grid product lines. eSite, combined with Clear Blue's Smart Off-Grid technology, services and solutions, offers a comprehensive set of flexible, 48-volt solutions for telecom tower operators looking for alternatives to cost-prohibitive diesel generators in the off-grid, bad-grid, new install and retrofit markets.

Completion of the acquisition remains subject to the approval of the TSX Venture Exchange (the "TSXV").

Offering

The Offering will consist of up to 35,714,285 units of the Company (each, a "Unit, and collectively the "Units") at a price of CAD\$0.07 per Unit (the "Offering Price"). Each Unit consists of one Common Share (each, a "Common Share", and collectively the "Common Shares") and one Common Share purchase warrant (each whole warrant, a "Warrant" and collectively the "Warrants"). Each Warrant entitles the holder thereof to acquire one Common Share at a price of CAD\$0.12 per Common Share for a period of 60 months from the closing date of the Offering, subject to acceleration in accordance with the terms of the certificates governing the Warrants.

Proceeds from the Offering are anticipated to be used for sales, marketing, research and development, and working capital requirements.

In connection with the Offering, the Company proposes to enter into non-brokered private placement agreements (collectively, the "Finder Agreements") with certain brokers (collectively, the "Finders"). In consideration for services provided by the Finders in connection with the Finder Agreements, the Company has agreed to pay the Finders: (i) a cash fee equal to 7% of the aggregate gross proceeds subscribed for under the Offering through the Finders; and (ii) that number of broker warrants of the Company (each, a "Broker Warrant;") equal to 7% of the number of Units purchased by investors referred by the Finders, with each whole Broker Warrant exercisable at any time prior to 5:00 p.m. (Toronto time) on the date that is 60 months following the applicable closing date of the Offering at a price of \$0.07 per Common Share, subject to accelerated expiration in accordance with the terms of the certificates governing the Broker Warrants.

All securities issued pursuant to the Offering are subject to a hold period of four months and one day pursuant to applicable securities laws. Completion of the Offering remains subject to the final approval of the TSXV.

Certain directors and officers of the Company (collectively, the "Insiders") have participated in the Offering and, as such, the Offering may constitute a related party transaction under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"), but is otherwise exempt from the formal valuation and minority approval requirements of MI 61-101 by virtue Sections 5.5(b) and 5.7(1)(a) of MI 61-101 in respect of such Insider participation in the Offering. No special committee was established in connection with the Offering or the participation of the applicable officers and directors in the Offering, and no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto. Further details will be included in a material change report that will be filed by the Company in connection with the completion of the Offering. The Company did not file the material change report more than 21 days before the initial closing date of the Offering as the terms of the Offering and the total amount to be invested by the applicable officers and directors were not settled until shortly prior to the initial closing of the Offering, and the Company wished to complete the initial closing of the Offering on an expedited basis for sound business reasons.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release. Such securities have not been, and will not be, registered under the U.S. Securities Act, or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

About Clear Blue Technologies International

Clear Blue Technologies International, the Smart Off-Grid™ company, was founded on a vision of delivering clean, managed, "wireless power" to meet the global need for reliable, low-cost, solar and hybrid power for lighting, telecom, security, Internet of Things devices, and other mission-critical systems. Today, Clear Blue has thousands of systems under management across 37 countries, including the U.S. and Canada.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" and/or "forward-looking statements" within the meaning of applicable securities laws. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Clear Blue's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Clear Blue's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information contained herein may include, but is not limited to, information concerning the proposed completion of the eSite acquisition and the Offering, and the intended use of the gross proceeds of the Offering.

By identifying such information and statements in this manner, Clear Blue is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Clear Blue to be materially different from those expressed or implied by such information and statements.

An investment in securities of Clear Blue is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risk Factors" in Clear Blue's listing application dated July 12, 2018. Although Clear Blue has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this press release, Clear Blue has made certain assumptions. Although Clear Blue believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release. All subsequent written and oral forward-looking information and statements attributable to Clear Blue or persons acting on its behalf is expressly qualified in its entirety by this notice.

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