



## PRINCIPAL TECHNOLOGIES CLOSES SECOND TRANCHE AND ANNOUNCES UPSIZE OF OVERSUBSCRIBED PRIVATE PLACEMENT

**Vancouver, British Columbia – December 21, 2023** – Principal Technologies Inc. (the “**Company**”) (TSXV: **PTEC**), is pleased to announce the closing of the second tranche (“**Tranche 2**”) of its previously announced non-brokered private placement (the “**Offering**”). Under Tranche 2 of the Offering, the Company issued 6,823,333 common shares (the “**Shares**”) at \$0.15 per Share for gross proceeds of \$1,023,500. The total raised under the Offering to date is \$1,373,975.

The Company also announces that it has increased the size of the Offering, as previously described in the Company's news releases dated October 6, 2023 and November 21, 2023. The Company now intends to issue up to 10,700,000 Shares at a price of \$0.15 per Share for total gross proceeds of approximately \$1,600,000 subject to final approval from the TSX Venture Exchange (“**TSXV**”). The Company first announced the Offering for up to 6,000,000 common shares of the Company for aggregate gross proceeds of up to \$900,000.

The Company has received approval from the TSXV for an extension and intends to close a third and final tranche of the Offering on or before January 17, 2024. The Company has now received additional offers to participate in the third tranche of the Offering.

“We are exceptionally grateful for the support of both our existing and new shareholders to allow us to close this oversubscribed private placement,” commented Jerry Trent, Chief Executive Officer of the Company. “We are now entering a new and exciting phase of our development as we advance discussions for our first major European healthcare acquisition. Our pipeline has never been stronger as we search for profitable, unique targets. We look forward to updating the market in due course.”

Finder's fees in connection with the Offering, include two components, namely cash finder's fees (the “**Cash Finder's Fees**”) and finder's warrants (the “**Finder's Warrants**”). The Cash Finder's Fee shall be equal to eight percent (8%) of the amount provided to the Company pursuant to a financing or investment agreement entered into between the Company and a Designated Investor for financing or an investment in exchange for securities or other equity in the Company (the “**Investment Agreement**”). The Finder's Warrants shall be equal to eight percent (8%) of the number of securities received by the Designated Investor. Each non-transferable Finder's Warrant entitles the holder to purchase one common share (a “**Share**”) of the Company for a period of twenty-four (24) months from the date of issuance at a price of CAD\$0.20 per Share. In connection with the closing of Tranche 2, Cash Finder's Fees of \$33,720 were paid in cash and a total of 224,800 Finder's Warrants are issuable.

The Company intends to use the net proceeds of the Offering for working capital in order to secure a major asset and for general corporate purposes. All currency in this news release is denominated in Canadian dollars.

All securities issued pursuant to the Offering, and any Shares that may be issuable on exercise of any such securities, will be subject to a statutory hold period expiring four months and one day from the date of issuance of such securities.

### ON BEHALF OF THE BOARD

Jerry Trent, Chief Executive Officer  
Principal Technologies Inc.

For investor inquiries or further information, please contact:  
[Office@principal-technologies.com](mailto:Office@principal-technologies.com)

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

***Forward-looking statements:***

*This press release contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws. This information and statements address future activities, events, plans, developments and projections. All statements, other than statements of historical fact, constitute forward-looking statements or forward-looking information. Such forward-looking information and statements are frequently identified by words such as “may,” “will,” “should,” “anticipate,” “plan,” “expect,” “believe,” “estimate,” “intend” and similar terminology, and reflect assumptions, estimates, opinions and analysis made by management of the Company in light of its experience, current conditions, expectations of future developments and other factors which it believes to be reasonable and relevant. Forward-looking information and statements involve known and unknown risks and uncertainties that may cause the Company’s actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and accordingly, undue reliance should not be placed thereon.*

*Risks and uncertainties that may cause actual results to vary include but are not limited to the availability of financing; fluctuations in commodity prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management’s Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at [www.sedar.com](http://www.sedar.com). The Company disclaims any obligation to update or revise any forward-looking information or statements except as may be required.*