

Hank Payments Completes Private Placement Offering

Toronto, Ontario--(Newsfile Corp. - December 16, 2022) - **Hank Payments Corp.** (TSXV: HANK) ("**Hank**" or the "**Company**"), a North American leader in consumer Fintech Software-as-a-Service (SaaS) that provides a platform that manages consumer cash flow and budgets on an automated basis using proprietary algorithms. Hank is pleased to announce it has closed a non-brokered private placement financing of 700 units, ("**Unit**") for total gross proceeds of \$700,000 (the "**Offering**").

Each Unit consists of one \$1,000 secured convertible debenture ("**Debentures**") and 3,333 common share purchase warrants ("**Warrant**"). The Debentures mature on and become payable on December 16, 2027 (the "**Term**") and bear interest at a fixed rate of 10% per annum, payable in arrears semi-annually in cash on December 31 and June 30 of each year. The Debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures. At any time during the Term, a holder of Debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of \$0.075 per share during the first year and \$0.10 per share thereafter (the "**Conversion Price**"). The Company may force the conversion of the principal amount of the then outstanding Debentures at any time at the Conversion Price on not less than 5 days' notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange (the "**TSXV**") for any 10 consecutive trading day period is equal to or greater than \$0.35. Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.10 per common share until December 16, 2024.

The use of proceeds from the Offering will principally be to expand the Company's portfolio of clients and for general working capital.

The issuance of the Convertible Debentures and the Warrants pursuant to the Offering were (and, if applicable, any underlying common shares and Warrants shall be) completed on a private placement and prospectus exempt basis, as applicable, such that the issuances are (or in the case of the Units and any underlying common shares and Warrants, shall be) exempt from any applicable prospectus and securities registration requirements. While the Company is offering a seven percent cash and seven percent warrant to brokers, no finder's fees or commissions were paid in connection with the first tranche of the Offering.

All securities issued pursuant to the Offering are subject to a statutory hold period ending April 17, 2023. The Offering is subject to TSX Venture Exchange acceptance of regulatory filings. The securities offered pursuant to the Offering have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Hank also granted a total of 200,000 options of Hank, with an exercise price of \$0.10 and an expiry date of November 29, 2024, to its two independent directors and issued 100,000 options, with an exercise price of \$0.10 and an expiry date of December 1, 2024, and 50,000 restricted share units to an executive. The options and RSUs are subject to the standard provisions of the Hank's equity incentive plan.

About Hank Payments Corp.

Hank Payments Corp (the Company or "Hank") is a North American leader in consumer Fintech Software-as-a-Service (SaaS) that provides a platform that manages consumer cash flow and budgets

on an automated basis using proprietary algorithms that collect, store and disburse cash as required to discharge obligations in a timely fashion. The Company historically operated exclusively across the USA, with certain leadership and technology functions in Toronto. Hank houses the complex technology, banking, treasury, customer service, sales and operations teams that acquire and service consumers. Hank currently charges upfront enrolment/setup fees and recurring monthly fees based on the types and quantity of payments that Hank Payments administers for the consumer (the "Users"). The Company acquires Users through various channels including (i) small to medium sized enterprises (the "SME Partners") and (ii) large enterprise businesses (the "Enterprise Partners"). The Company does not take balance sheet risk when managing loan and other household payments for Users as it does not lend funds or bridge cash shortfalls. All of Hank's current revenues are derived from usage and licensing fees.

Forward-Looking Statements

This news release may contain forward-looking statements (within the meaning of applicable securities laws) which reflect the Company's current expectations regarding future events. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts, and projections and include, without limitation, statements regarding the future success of the Company's business. Financial performance figures in Canadian Dollars unless otherwise indicated by "U" representing United States Dollars.

The forward-looking statements in this news release are based on certain assumptions, including without limitation the Shares beginning trading on the TSXV. The forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

FOR FURTHER INFORMATION PLEASE CONTACT:

For more information regarding Hank Payments Corp., please contact: Jason Ewart, EVP Capital Markets, at 416-580-0721. For Investor Relations please contact ir@hankpayments.com and visit the Company's website at www.hankpayments.com.

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