

NeuPath Health Inc. Announces \$8 Million Bought Deal Offering of Units

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TORONTO, Oct. 19, 2020 /CNW/ - NeuPath Health Inc. (TSX-V:NPTH) (formerly Klinik Health Ventures Corp.) ("NeuPath" or the "Company"), Canada's largest provider of chronic pain management services, is pleased to announce that it has entered into an agreement with Stifel GMP as co-lead underwriter and sole bookrunner and INFOR Financial Inc. as co-lead underwriter, together with a syndicate of underwriters including Haywood Securities Inc. (collectively, the "Underwriters"), which have agreed to purchase, on a "bought deal" basis 8,890,000 units (the "Units") of the Company at a price of \$0.90 per Unit, for aggregate gross proceeds of \$8,001,000. The Underwriters will also have the option, exercisable in whole or in part at any time on or up to 30 days after the closing of the offering, to purchase up to an additional 1,333,500 Units. In the event that the option is exercised in its entirety, the aggregate gross proceeds of the offering will be \$9,201,150.

Each Unit will be comprised of one common share of the Company (a "Common Share") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"). Each Warrant will be exercisable to acquire one Common Share (a "Warrant Share") for a period of 24 months following the closing of the Offering (the "Closing") at an exercise price of \$1.25 per Warrant Share.

In the event that the volume weighted average trading price of the Common Shares for any twenty (20) consecutive trading days on the TSX Venture Exchange exceeds \$1.75, the Company shall have the right to accelerate the expiry date of the Warrants upon not less than fifteen (15) trading days' notice.

The Company intends to use the net proceeds from the Offering to execute its growth strategy to geographically expand its presence in Canada, working capital, and general corporate requirements.

The offering is scheduled to close on or about November 5, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX-V Venture Exchange and the securities regulatory authorities.

The Common Shares will be offered by way of a short form prospectus to be filed in Alberta, British Columbia, Ontario, and Quebec pursuant to National Instrument 44-101 *Short Form Prospectus Distributions* and in the United States on a private placement basis pursuant to an exemption from the registration requirements of the United States *Securities Act of 1933*, as amended.

In connection with the Offering the Underwriters will receive: (i) a cash fee equal to 6.0% of the gross proceeds of the Offering (including Units sold pursuant to the exercise of the over-allotment option); and (ii) that number of broker warrants equal to 6.0% of the Units sold under the Offering (including Units sold pursuant to the exercise of the over-allotment option), each entitling the holder to acquire one Common Share for a period 24 months following the Closing at an exercise price of \$0.90 per Common Share.

About NeuPath

NeuPath (TSX-V: NPTH) is Canada's largest provider of chronic pain management services that operates under two leading brands in Ontario: CPM - Centres for Pain Management and InMedic Creative Medicine. NeuPath has 12 locations across Ontario with more than 100 staff members that

provide care to over 11,000 patients annually. NeuPath offers a comprehensive chronic pain assessment and multi-modal treatment plan based on recommendations by a group of trained physicians to help patients manage their chronic pain and optimize their quality of life. In addition to chronic pain management clinics, NeuPath offers workplace health services as the single, largest cost of chronic pain is lost productivity due to job loss and sick days.

Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements with respect to the filing of a prospectus, the timing of closing the Offering and the use of proceeds therefrom) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations included in this news release include, among other things, the severity, duration and spread of the COVID-19 outbreak, as well as its direct and indirect impacts that the pandemic may have on the Company's operations. A comprehensive discussion of these and other risks and uncertainties can be found in the Filing Statement filed on SEDAR under the Company's profile at www.sedar.com.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to their inherent uncertainty.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS THE RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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