

Klinik Health Ventures Corp. Announces Execution of Definitive Agreement and Update on Proposed Qualifying Transaction with NeuPath Health

Toronto, Ontario (April 24, 2020) – Klinik Health Ventures Corp. (TSXV:KHV.P) (“**Klinik**” or the “**Corporation**”) is pleased to announce that following the execution of a letter of intent dated as of March 20, 2020 with 2576560 Ontario Inc. doing business as NeuPath Health (“**NeuPath**”), Klinik has entered into an arrangement agreement (the “**Arrangement Agreement**”) dated as of April 24, 2020 with NeuPath. Pursuant to the Arrangement Agreement, Klinik will acquire indirectly all of the issued and outstanding common shares of NeuPath (“**NeuPath Shares**”) in consideration for common shares of Klinik (each a “**Klinik Share**”) (together with the related transactions and corporate procedures set out in the Arrangement Agreement, the “**Transaction**”).

It is intended that the Transaction shall constitute Klinik’s Qualifying Transaction, as such term is defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange (the “**Exchange**”).

The Transaction is subject to, among other things, receipt of the requisite shareholders approvals of NeuPath, final approval of the Exchange, court approval and standard closing conditions, including the conditions described below. Subject to the satisfaction of the closing conditions, the parties expect to close the Transaction on or about June 25, 2020.

Upon completion of the Transaction, Klinik will carry on with the business and activities of NeuPath (Klinik after the completion of the Transaction is referred to herein as the “**Resulting Issuer**”).

Description of the Transaction

The Transaction is to be carried out pursuant to the Arrangement Agreement under a court-approved statutory plan of arrangement pursuant to the *Business Corporations Act* (Ontario). The Transaction will require approval by at least 66⅔% of the votes cast by shareholders of NeuPath present at a special meeting of NeuPath shareholders. Klinik has entered into customary voting support agreements with certain NeuPath shareholders as well as each of NeuPath’s directors and executive officers.

Pursuant to the Arrangement Agreement (i) holders of issued and outstanding NeuPath Shares will receive five (5) Klinik Shares for each one (1) NeuPath Share (the “**Exchange Ratio**”) held by them; and (ii) all options and warrants convertible into NeuPath Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase common shares of the Resulting Issuer on substantially similar terms and conditions. As a condition of the Transaction, and subject to Klinik shareholder approval, Klinik will also undertake a share consolidation of Klinik Shares (the “**Consolidation**”). Subject to Klinik shareholder approval, the Consolidation will occur on the basis of one (1) post-Consolidation Klinik Share for every five (5) Pre-Consolidation Klinik Share that will be issued and outstanding immediately after giving effect to steps (i) and (ii) noted above

(the “**Consolidated Shares**”). The Consolidated Shares will represent all of the issued and outstanding common shares (the “**Resulting Issuer Shares**”) of the Resulting Issuer.

It is anticipated that upon completion of the Transaction, former NeuPath shareholders will hold approximately 86% of the Resulting Issuer Shares and former Klinik shareholders will hold approximately 14% of the Resulting Issuer Shares, on a non-diluted basis.

As further described in the Corporation’s news release of March 20, 2020 (the “**Initial News Release**”), Klinik will hold an annual and special meeting (the “**Klinik Meeting**”) to consider certain matters related to the Transaction, including but not limited to (i) the Consolidation, (ii) a name change, (iii) amendments to the stock option plan, (iv) adoption of a restricted share unit plan and employee share purchase plan, and (v) the election of new directors for the Resulting Issuer.

In connection with the Transaction and pursuant to the requirements of the TSX Venture Exchange (the “**Exchange**”), Klinik intends to file a filing statement (the “**Filing Statement**”) instead of an information circular as previously described in the Initial News Release. The Filing Statement will contain details regarding the Transaction, Klinik, NeuPath and the Resulting Issuer.

The completion of the Transaction is subject to a number of conditions precedent, including without limitation:

- approval of the Transaction by NeuPath shareholders;
- approval by Klinik shareholders of the matters noted above in relation to the Transaction; and
- receipt of all required consents, waivers and approvals from the Exchange, the court, and any other securities regulatory authority having jurisdiction.

Copies of the Arrangement Agreement, and, when available, the Filing Statement, and certain related documents and agreements will be filed with Canadian securities regulators and will be accessible on SEDAR (www.sedar.com) under Klinik’s profile.

Board of Directors of the Resulting Issuer

Subject to Klinik shareholders approval and Exchange approval, it is proposed that the Board of the Resulting Issuer shall consist of one (1) nominee from Klinik and six (6) from NeuPath. Pursuant to the Arrangement Agreement, it is proposed that the directors of the Resulting Issuer will consist of Dianne Carmichael and the individuals listed in the Initial Press Release.

Dianne Carmichael (Chair)

Ms. Carmichael has over 30 years of diverse executive management and board of director experience spanning from start-up and growth companies to multinationals. Dianne was Chairman & CEO of a publicly traded investment firm before shifting to healthcare to make a difference in the lives of those touched by profound illness. As President of Best Doctors Inc., she helped create a remote second opinion platform that connected patients with the top 2% of medical experts worldwide and which today, covers over 40 million international patients. Most recently, she was President Payer Markets and Head of Corporate Strategy and M&A at McKesson, a Fortune 5 healthcare company. Prior to that, Dianne was President, UHN Solutions at UHN, Canada’s leading group of research hospitals, and Managing Director, MaRS Health Ventures and Innovation. Today, Ms. Carmichael continues to make a difference for patients by helping health-tech companies bring high impact innovations to scale globally through her

company, Carmichael Worldwide Inc. Dianne currently serves as the Chief Advisor for the HealthTech division of the Council of Canadian Innovators, founded by Jim Balsillie, where they bring the voice of Canadian tech CEOs to government and policy makers. Dianne has served on numerous healthcare boards, including Holland Bloorview Kids Rehab Hospital, PatientsCanada, CAPCH, Centre for Regenerative Medicine, Mt. Sinai's Personalized Medicine Institute & W.I.N. She was awarded Canada's Most Powerful Women by WXN, Canadian Women Transforming Health Care and University of Waterloo Alumni of the Year. She holds a B.A. from the University of Waterloo.

If the Transaction is not completed it is expected that the current directors of Klinik will remain in place.

Capital Structure of NeuPath

The Corporation is clarifying that the number of NeuPath's issued and outstanding warrants ("**NeuPath Warrants**") and compensation warrants ("**NeuPath Compensation Warrants**") are 10,658,683 and 57,570 respectively, rather than the corresponding numbers listed in the Initial News Release.

Sponsorship for Qualifying Transaction

Raymond James Ltd. has been retained to act as sponsor in connection with the Qualifying Transaction in accordance with the Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements*.

Insiders of the Resulting Issuer

In addition to the proposed directors and officers of the Resulting Issuer disclosed in this press release and the Initial Press Release, it is expected that upon completion of the Transaction, Bloom Burton & Co. Inc. ("**Bloom Burton**") will also be considered an Insider (as such term is defined in the policies of the Exchange) of the Resulting Issuer. Upon completion of the Transaction, Bloom Burton will own, directly and indirectly, approximately 16% of the Resulting Issuer Shares. Bloom Burton is a company existing under the laws of Ontario specializing in the healthcare investment industry. Bloom Burton and its affiliates provide capital raising, M&A advisory, equity research, business strategy and scientific consulting, advisory on direct invest and company creation and incubation services.

Klinik Refundable Deposit

Subject to Exchange approval, Klinik has agreed to advance to NeuPath a refundable deposit in the amount of \$225,000 (the "**Deposit**") to be used by NeuPath for expenses incurred with respect to the Transaction. The Deposit shall bear no interest and will be due and payable upon the earlier of: (i) July 30, 2020; and (ii) if the Transaction is not completed, on the date that is ten (10) days from the termination date of the Arrangement Agreement. The Deposit shall not be refunded in the event that the Transaction is completed.

Trading Halt

Trading in the Klinik Shares was voluntarily halted on March 20, 2020 and will remain halted until the documentation required by the Exchange in connection with the Transaction has been reviewed and accepted by the Exchange.

Subject to compliance with the policies of the Exchange, Klinik may request that trading in the Klinik Shares remain halted pending the completion or abandonment of the Transaction.

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information release or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

Raymond James Ltd., subject to completion of satisfactory due diligence, has agreed to act as sponsor in connection with the Transaction. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

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

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

Cautionary Statement Regarding Forward-Looking Information

This news release contains certain forward-looking statements, including statements relating to the completion of the Transaction and the timing for its completion; the satisfaction of closing conditions, which include, without limitation: (i) the Consolidation; (ii) the Klinik name change; (iii) the election of new directors; (iv) amendments to the stock option plan of Klinik; (v) adoption by Klinik of a restricted share unit plan and employee share purchase plan; (vi) approval of NeuPath shareholders of the Transaction; and (vii) receipt of the necessary Exchange and court approvals in connection with the Transaction; the timing of filing of a Filing Statement; receipt of the Deposit and other statements that are not historical facts. Wherever possible, words such as “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict” or “potential” or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management’s current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results

discussed or implied in the forward-looking statements. As a result, the Corporation cannot guarantee that the Transaction will be completed on the terms described herein or at all. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Corporation cannot assure readers that actual results will be consistent with these forward-looking statements.

These forward-looking statements are made as of the date of this press release, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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