



ATMOFIZER TECHNOLOGIES INC. ANNOUNCES BUSINESS UPDATE AND FIRST QUARTER 2023 INTERIM FINANCIAL RESULTS

May 30, 2023, Vancouver, British Columbia – Atmofizer Technologies Inc. (the “**Company**” or “**Atmofizer**”) (CSE: ATMO) (OTCQB: ATMFF) is pleased to announce its interim financial results for the three months ending March 31, 2023. All amounts are expressed in United States dollars unless otherwise noted.

CORPORATE DEVELOPMENTS

On November 29, 2022, the Company announced its recent Business Development in the Forced Area Market (HVAC). The Company continues to transition the business to its most valuable addressable market to integrate the agglomeration technology into existing forced air systems. During the first quarter of 2023, the Company further refined its prototype design to maximize its agglomeration performance for its HVAC application. The Company through its testing at an accredited third-party lab that the design of its prototype that achieves material improvements to the results is the one that Company received a US patent on. For reference, the allowed patent application, titled, “Ultra-Fine Particle Aggregation, Neutralization and Filtration” (US Patent Application No. 11,291,939) provides broad protection for important aspects of Atmofizer’s air purification technology. The Notice of Allowance from the USPTO is directed to a new design that delivers ultra-fine particle agglomeration and nanoparticle reduction performance in larger air ducts with faster-moving air, using less parts.

The Company continues to work with Four Seasons Heating and Air Conditioning (“Four Seasons”), in Chicago, Illinois, one of the largest privately owned HVAC service providers in the United States. With the completion of the last phase of comprehensive third-party laboratory tests the Company plans to complete a commercialization agreement in the second quarter and work towards its first sales of this new product line in 2023.

On January 12, 2023, the Company implemented the share consolidation of one post-consolidation common share for twenty pre-consolidation common shares. The number of shares and relevant information including but not limited to the share price, number of warrants

("Warrants"), stock options ("Options") and restricted stock units ("RSUs") and exercise price per warrant and options presented in these interim financial statements had been retroactively adjusted accordingly.

FINANCIAL HIGHLIGHTS FOR THREE MONTHS ENDED MARCH 31, 2023

Revenue for the first quarter of 2023 was \$600 compared to \$210,000 in the prior period. The Company is actively working on the development of its HVAC business in 2023. The sales in the first quarter represent sales of its A500 units which are being done as opportunities present themselves.

The Company incurred \$0.3 million in expenses during the three months ended March 31, 2023, compared to \$6.5 million during the three months ended March 31, 2022. The decrease of \$6.2 million decrease in expenses was driven by decreases in share based payments of \$4.6 million, amortization of \$0.2 million, consulting fees of \$0.6 million, salaries and wages of \$0.2 million, professional fees of \$0.2 million, and R&D of \$0.1 million and other expenses of \$0.3 million).

During the three months ended March 31, 2023, the Company recorded net loss of \$0.3 million compared to a net loss of \$6.5 million for the three months ended March 31, 2022. The decrease of \$6.2 million decrease in expenses was driven by decreases in share based payments of \$4.6 million, amortization of \$0.2 million, consulting fees of \$0.6 million, salaries and wages of \$0.2 million, professional fees of \$0.2 million, and R&D of \$0.1 million and other expenses of \$0.3 million).

LIQUIDITY AND CAPITAL RESOURCES

The Company's activities to date have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops sufficient cash flow from operations.

As of March 31, 2023, the Company had working capital deficiency of \$815,386.

The Company established the ATM Program in February 2022 which allows the Company to issue and sell up to C\$5 million of Common Shares from treasury to the public, from time to time, at the Company's discretion. To date, the Company has issued 4,198,075 Common Shares for gross proceeds of C\$2,619,396 under the ATM Program as of the date of this MD&A. During the first quarter of 2023, the Company sold 1,668,500 common shares under the ATM Program with gross proceeds of \$194,193 (CA\$261,318). In connection with the share issuance of 1,668,500 common shares, the Company paid a commission of \$4,854 (CA\$6,533).

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained, the Company may be forced to curtail its activities to a level for which funding is available or can be obtained.



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About Atmofizer Technologies Inc.

Atmofizer's consumer and industrial solutions are based on its patent-protected and patent pending technology for ultrafine particle agglomeration and neutralization. This capability creates a revolutionary and more efficient method for addressing the wide range of dangerous nano-scale particles, viruses and bacteria that are too small to be effectively managed by conventional HEPA filters and ultraviolet lights. Atmofizer plans to disrupt the air treatment industry by improving air safety and purification efficiency while lowering customers' operational costs.

Atmofizing air refers to the process of using ultrasonic acoustic waves to agglomerate (cluster together) small particles into a larger target that is then radiated by ultraviolet light to neutralize their harmful properties. Using units that atmofize air in tandem with HEPA filters can make the HEPA filters work more efficiently, enable the use of a less-powerful filter and result in a cleaner and longer-lasting filter that reduces operating costs and is less of a health hazard to clean or replace.

Atmofizer is patent-pending and patent-protected sole source of technology to atmofize air and is applying its proprietary technology in consumer and industrial air purification products currently manufactured under the Atmofizer brand, as well as in retail and commercial devices produced by other companies that integrate Atmofizer technology into their own products under license. Atmofizer's owned and licensed product lines include wearable, portable and mobile use for personal air treatment, as well as larger systems to handle higher air volumes for commercial, industrial, institutional and residential applications.

Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained herein includes, without limitation, the services and functions of EMC and the business and strategic plans of the Company.

By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release including,

without limitation: the Company's ability to comply with all applicable laws and governmental regulations relating to its commercial products; the ability of the Company to protect its intellectual property; impacts to the business and operations of the Company due to the COVID-19 pandemic; the conflict in eastern Europe; having only a limited operating history, the ability of the Company to access capital to meet future financing needs; the Company's reliance on management and key personnel; competition; changes in consumer trends; foreign currency fluctuations; and general economic, market or business conditions.

Additional risk factors can also be found in the Company's continuous disclosure documents, which have been filed on SEDAR and can be accessed at www.sedar.com. Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.