



Hello Pal Announces Release of Escrowed Funds and Automatic Exercise of Subscription Receipts into Common Shares and Warrants and Closing of Cryptocurrency Mining Rig Acquisition

VANCOUVER, British Columbia, May 25, 2021 /CNW/ -- [Hello Pal International Inc.](#) ("Hello Pal" or the "Company") (CSE: HP) (Frankfurt: 27H) (OTC: HLLPF), a provider of an international live-streaming, language learning and social-crypto platform, is pleased to announce that the Company has satisfied the outstanding conditions for the release of the escrowed funds from the Company's previously announced C\$7.25 million brokered private placement of subscription receipts (the "Subscription Receipts"), which closed on May 12, 2021 (the "Offering").

In connection with the escrow release, the 5,800,000 Subscription Receipts issued pursuant to the Offering have been automatically exercised into 5,800,000 common shares of the Company (each, a "Common Share") and 2,899,999 common share purchase warrants of the Company (each, a "Warrant"). Each Warrant entitles the holder to acquire one Common Share at a price of \$2.00 until May 25, 2023. All securities issued pursuant to the Offering remain subject to a statutory hold period of four months and one day, expiring on September 13, 2021.

The Company has used a portion of the escrowed proceeds to fund the cash consideration payable to the vendor in connection with the Company's previously announced indirect acquisition of an interest in a number of mining rigs dedicated to mining Dogecoin and Litecoin

(the "Transaction"), which closed on May 25, 2021. In connection with the closing of the Transaction, the Company also issued 1,800,000 Common Shares at a deemed price of \$1.25 per Share and 900,000 Warrants to the vendor. Each Warrant entitles the holder to acquire one Common Share at a price of \$2.00 until May 25, 2023.

Canaccord Genuity Corp. (the "Agent") acted as sole agent and bookrunner in connection with the Offering. Further to the Company's press release dated May 12, 2021, as additional consideration for services provided by the Agent in connection with the Offering, on escrow release, the Agent was issued 406,000 non-transferable warrants (the "Broker Warrants"). Each Broker Warrant entitles the holder to acquire one Common Share at a price of \$1.25 until May 25, 2023.

All securities issued pursuant to the Transaction and the Broker Warrants are subject to a statutory hold period of four months and one day, expiring on September 26, 2021.

The securities offered have not been registered under the *U.S. Securities Act of 1933*, as amended, and may not be offered or sold in the United States 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 State in which such offer, solicitation or sale would be unlawful.

To download Hello Pal please visit the IOS or Android store. For information with respect to the Company or the contents of this news release, please contact the Company at (604) 683-0911 or visit the website at hellopal.com. Email inquiries can be directed to: investors@hellopal.com.

About the Hello Pal Platform

The Hello Pal Platform is a proprietary suite of mobile applications built on a user-friendly messaging interface that focus on social interaction, language learning and travel. Hello Pal, has been

designed from the ground up to be easy to use and enables users' the freedom to speak in their own language regardless of the other person's language they are speaking to. Hello Pal's overriding mission is to bring the world closer together through social interaction, language learning and travel. By creating a platform where it is easy to instantly interact with others around the world and giving them the tools to communicate with each other in a joyful and fun way, we hope to do our part (however small) in fostering understanding and tolerance between all citizens of the world.

THE CSE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED HEREIN AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE

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