



PUDO issues statement regarding December 8 - 9, 2019 promotional activity

TORONTO, Dec. 12, 2019 /CNW/ - PUDO Inc. ("PUDO" or "the Company") (CSE: PDO) (OCTQB: PDPTF), provides the following information about certain promotional activities at the request of OTC Markets.

On December 9, 2019, the Company was notified by OTC Markets that on December 8, 2019, certain materials promoting PUDO common stock were circulated via email by a third party. Copies of the promotional emails were forwarded to PUDO's CFO by OTC Markets. The Company immediately confirmed to OTC Markets that it had no prior knowledge of this unauthorized promotional activity and had only been made aware of such activity pursuant to the OTC Markets notice. Upon receipt of the notice, the Company took immediate actions to investigate.

After due inquiry, the Company determined that the promotional emails were sent by pennystock101.com, which had been retained by ACN LLC. PUDO had no knowledge of or contracts with either company, but subsequently learned that JBN Partners hired ACN LLC to conduct promotional activities, without the knowledge of PUDO management or any PUDO employees.

PUDO had retained the market awareness services of JBN Partners in October 2019, and ensured that all planned activities to be conducted by JBN Partners would be in compliance with accepted stock promotion policies and regulations. The Company has full editorial control over content prepared by JBN Partners.

As part of the Company's investigation following receipt of the December 9, 2019 notice from OTC Markets, the Company learned that at some time between December 2, 2019 and December 6, 2019, JBN Partners engaged in a verbal conversation with a non-controlling PUDO shareholder, and that conversation led JBN Partners electing to deploy the remaining account balance previously paid to JBN Partners by PUDO to a third-party newsletter writer.

The Company, its officers and employees were in no way directly or indirectly involved in the creation, distribution, or payment for the unauthorized promotional materials created and distributed by pennystock101.com, nor did the Company exercise or provide any editorial control over the content of such promotional material.

The statements made by pennystock101.com were not materially false or misleading and were based on previously released Company news and other previously disclosed public information.

On December 9, 2019, PUDO stock traded at a volume of approximately twenty four thousand (24,000) shares on the OTC, with the stock price rising to a high of \$0.59 USD, followed by a low on December 10, 2019 of \$0.51 USD. These prices were within the stock's normal trading ranges.

The Company, its managers, officers, directors and employees were not involved with the creation, distribution or payment for the services of ACN LLC or pennystock101.com. The Company and certain members of management were aware that JBN Partners had been engaged to help raise general awareness of the Company, but none had any knowledge that JBN Partners hired and provided payment to ACN LLC or pennystock101.com.

PUDO confirms that no managers, officers, directors, employees or third-party service providers sold Company stock at any time within the past 90 days. The non-controlling shareholder who had the conversation with JBN Partners about the newsletter initiative, was unaware of the circulated promotional material and similarly did not sell any PUDO shares during such 90 day period.

In November 2019, the Company issued 2,048,888 shares as part of a private placement, for aggregate proceeds of \$922,000 at an issuance price of \$0.45 CAD per share. Directors and affiliates of directors of the Company purchased 1,959,999 shares as part of such private placement. In November 2018, the Company, pursuant to another private placement, issued three convertible securities for aggregate proceeds of \$500,000 CAD. Such convertible securities were issued to RHC Spitfire Corporation, GCC Ferrari Corporation, and Cardinal Couriers. The instruments are convertible at any time until November 2020, at a conversion price of \$0.95 CAD.

Over the course of the previous 12 months, PUDO has retained the services of investment banking firms Panamax Capital LLC and Partner Capital Group LLC to support their efforts to raise expansion capital, and continued to engage the services of Consensus Communications Inc., to help create content for Company news releases and investor materials. JBN Partners was hired in October 2019 to provide market awareness services.

About PUDO

PUDO Inc. is developing North America's only carrier-neutral parcel pick-up/drop-off technology and logistics Network, as a means of solving the last-mile parcel-traffic-control gridlock that is crippling the \$550B e-commerce sector. E-commerce is faced with unprecedented cost control issues, based on disproportionately high last-mile delivery costs relating to undeliverable parcels, and parcels returning for refund or exchange. As labour and fuel costs increase in tandem with parcel traffic and volume, the problem worsens.

PUDO's team of logistics and parcel traffic management experts have created a market intelligence and trends driven solution comprising carrier-neutral plug-and-play technology for desktop and mobile, plus a strategically located Network of parcel pick-up and drop-off PUDOpoints for pay-as-you-go use by all players within the e-commerce ecosystem.

Adopting PUDO technology shortens the last mile for the behemoths of e-commerce — fulfillment and distribution centers representing

thousands of retailers and millions of consumers — by instantly extending their parcel staging and consolidation Network and providing secure 'near end of the line' storage for the 30% of e-commerce parcels that are undeliverable on first attempt. PUDO's technology and Network virtually eliminate costs associated with second-attempt deliveries, un-attended parcel theft and spoilage, and mismanaged reverse logistics on returns, and provides carriers, retailers, and consumers with badly needed cost controls, choice, and convenience.

PUDO was founded in 2015 and was recently named one of the Top 20 most innovative public technology companies by the Canadian Innovation Exchange. After two years of industry and market research, and successful beta testing the technology and PUDOpoint geography and protocols with major logistics stakeholders, PUDO is ready to activate its Network through strategic partnerships. Activation will enable all stakeholders within the Network to access and control scalable, fluid, strategic consolidation in real time when and where needed, to lower costs and satisfy customer expectations.

For more information, please visit www.pudoinc.com or www.pudopoint.com.

Information in this press release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws, such as statements regarding possible capital raising activity and possible future expansions of PUDO's operations. This information is based on current expectations and assumptions of management, including assumptions concerning PUDO's ability to raise additional capital. The use of any of the words "anticipate", "believe", "expect", "plan", "intend", "can", "will", "should", and similar expressions are intended to identify forward-looking statements. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Risks, uncertainties, and other factors involved with forward-looking information could cause actual events, results, performance, prospects, and opportunities to differ materially from those expressed

or implied by such forward-looking information. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Factors that could cause actual results to differ materially from such forward-looking information include, without limitation, uncertainties with respect to service implementation, the economic results of the relationship on the operations of the Company, changes in general economic, market, or business conditions, and those risks set out in the Company's public documents filed on SEDAR. This press release, may contain future-oriented financial information or financial outlook within the meaning of applicable securities laws. Such future-oriented financial information or financial outlook has been prepared for the purpose of providing information about management's reasonable expectations as to the anticipated results of its proposed business activities. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by law.

SOURCE PUDO Inc.

View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/December2019/12/c3122.html>

%SEDAR: 00009155E

For further information: For additional information about PUDO, please contact: Karen Speight, at 1-506-694-1250, karen.speight@pudopoint.com

CO: PUDO Inc.

CNW 22:02e 12-DEC-19