



ParcelPal CEO Provides a Corporate Update

Vancouver, British Columbia, Canada –October 21, 2019 – ParcelPal Technology Inc. (“ParcelPal” or the “Company”), (CSE: PKG) (FSE: PTO) (OTC: PTNYF) CEO Kelly Abbott provides a corporate update.

Dear Shareholders,

It has been several months since I have provided an update. I am happy to report that the state of the company is strong and growing despite current market conditions, especially within the cannabis market and its surrounding industries. We have ambitious goals for growth over the next year and our nimble team is focused on delivering on these objectives which have been outlined within this update.

Looking back over the previous year, I would like to note my team’s hard work and accomplishments by acknowledging the following milestones:

- Greatly expanded our footprint with Amazon locally in BC, covering more areas and delivering more packages across the lower mainland.
- Became the only Canadian delivery company that will provide cannabis delivery in an hour or less by signing a distribution agreement with Choom, Kiara, Urban Juve and Aphria.
- Expanded our eCommerce offering, now with the ability to integrate with any Shopify Partner in Canada, including cannabis partners.
- Became the first and exclusive partner of MADD Canada regarding the delivery of alcohol and cannabis.
- Fully updated our technology infrastructure, which included creating a new web ordering platform and upgrades to the customer and merchant platforms.
- Created a partnership with POS Provider LineTen Technologies, allowing for further volume, national and international expansion opportunities.
- Launched in two new Western Canadian cities (Calgary and Saskatoon).
- Improved management team with the addition of Cody Halovich, Devon Brown, Alain Dupres, and Steve Winter.

We are continuously engaging in business development within Canada and the US to find other growth catalysts. Focus on user acquisition remains the key to our organic growth as we continue to secure business with merchants ranging from small businesses to large eCommerce

enterprises. This appetite for accelerated organic growth has enabled us to venture into various verticals in the last mile delivery market. In fact, we are pleased to announce we have achieved another major milestone and have now delivered over 3,000,000 packages to date through the ParcelPal platform.

We have realistic plans to advance ParcelPal to the next phase of growth. Before I outline what that is, I would like to review our current status as a company.

- We've aligned key talent against our top initiatives and have recruited new talent to the organization for execution.
- We've aligned the Company to respond to our business needs more efficiently, reduced head office spends, and improved accountability and visibility across all our teams.
- We've established fewer, and more lofty goals to increase focus on impactful priorities. This strategic focus allows ParcelPal to maximize market penetration and impact.
- We continue to reduce costs in many categories such as marketing and promotions and operational expenses.
- As always, we continue to take a hard look at our business model and unit economics to see how we can reduce our cost of customer and business acquisition and generate more revenue per delivery and lower expenses.
- We are still working with businesses to lower the timely implementation and accelerate integration and execution.

For the remainder of the year and looking into 2020 our plans include:

- Targeting to be cash flow positive in the first quarter of calendar year 2020.
- Targeting at least 50%+ revenue growth for calendar year 2020 and significantly improving operating margins up to 15%.
- Targeting 50% increase in margins for cannabis and retail delivery.
- Increasing user acquisition from 65,000-150,000 by end of Q4 2020.
- New product launches targeted for October of 2019 and continuing quarterly into 2020, will further drive growth in all channels.
- Maximizing the number of merchants in various verticals, thereby increasing our revenues and margins overall.
- Launching and testing Next Day and Same Day delivery services for B2B and B2C markets, enabling easier customer acquisition and business integration.
- Expanding our local offerings with our current markets by adding new verticals.
- Hiring sales leaders and execution teams in each of our current markets and potential markets.
- Expanding our revenue diversification through large eCommerce contracts, cannabis delivery, and potential acquisitions.
- Continuing our expansion into the Amazon ecosystem throughout Canada and the United States.

- Integrate artificial intelligence and prediction algorithms into our platform to maximize revenue potential, streamline services, and increase overall margins.
- Deliver 7,000,000+ total packages by end of Q4 2020.

ParcelPal has successfully opened offices in Toronto and Ottawa and has begun looking to hire personnel for key roles. The Company is in the process of establishing relationships in Ontario for the anticipated launch. We have had a very successful 2019 and I am extremely optimistic about ParcelPal exceeding our growth objectives for 2020. I'd like to extend my appreciation and dedication to ParcelPal employees and the board for their commitment and passion to continue to move this company forward.

On behalf of the Board of Directors, the leadership team, the wider organization and myself, thank you for your continued support as we continue to elevate ParcelPal through the year ahead.

Regards,

Kelly Abbott

President and CEO,
ParcelPal Technology Inc.

About ParcelPal Technology Inc.

ParcelPal is a technology-driven logistics company that connects consumers to the goods they love. Customers can shop at partner businesses and through the ParcelPal technology receive their purchased goods within an hour. The Company offers on-demand delivery of merchandise from leading retailers, restaurants, medical marijuana dispensaries and liquor stores in Vancouver and soon in major cities Canada-wide.

ParcelPal Website: www.parcelpal.com

The Canadian Securities Exchange ("CSE") or any other securities regulatory authority has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release that has been prepared by management.

CSE – Symbol: **PKG**

FSE – Symbol: **PTO**

OTC – Symbol: **PTNYF**

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Forward Looking Information
We seek safe harbour

This news release contains forward looking statements relating to the Proposed Transaction, and the future potential of ParcelPal. Forward looking statements are often identified by terms such as "will", "may", "should", "intends", "anticipates", "expects", "plans" and similar expressions. All statements other than statements of historical fact, included in this release are forward looking statements that involve risks and uncertainties. These risks and uncertainties include, without limitation, the risk that the Proposed Transaction will not be completed due to, among other things, failure to execute definitive documentation, failure to complete satisfactory due diligence, failure to receive the approval of the CSE and the risk that ParcelPal will not be successful due to, among other things, general risks relating to the mobile application industry, failure of ParcelPal to gain market acceptance and potential challenges to the intellectual property utilized in ParcelPal. There can be no assurance that any forward looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The Company cannot guarantee that any forward looking statement will materialize and the reader is cautioned not to place undue reliance on any forward looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward looking statements contained in this news release are expressly qualified by this cautionary statement. The forward looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly any of the included forward looking statements as expressly required by Canadian securities laws.