



ParcelPal Technology, Inc. Reports First Quarter 2020 Results Highlighted by Quarterly year over year Revenue Growth of 43%

Vancouver, British Columbia – June 22, 2020 – ParcelPal Technology Inc. (“ParcelPal” or the “Company”), (PKG:CSE) (FSE:PT0) (OTC:PTNYF) is pleased to announce its Q1 2020 financial results highlighted by significant revenue growth and a much lower net loss year over year.

Overview

In Q1 2020, the Company continued its operating growth, which was driven by revenue growth of nearly 43% to approximately \$1.1 million (up from \$770K in Q1 2019). Note: this was a record revenue high for Q1 since inception of the Company. Also, the Company’s net loss decreased 38% to \$866,173 (compared to \$1,404,056 in Q1 2019). Some additional highlights of the quarter included both a significant increase in business with Amazon, as well as continued diversification of our customer base and into other areas driven by home meal kit and large retail store chain deliveries.

Our revenue growth and net loss reductions are, in large measure, driven by our business expansion plan, in which we continue to invest in our product development, ramp up our staffing levels to meet the increase in business, and increased our focus on client diversification.

"The actions we have taken to increase our gross revenue and rebuild our product services have placed our Company in a better position to deliver value to our customers during the crisis caused by the COVID-19 pandemic," said ParcelPal’s CEO Rich Wheelless. "This is just the beginning of our improved operating performance and I am very encouraged by the lower operating losses which I see continuing as the Company expands into new and profitable markets in the current and future quarters."

"We have more work to do, and we will continue to take actions to strengthen our business," said ParcelPal’s CEO Rich Wheelless. "With only four months into my tenure with the Company, management has made significant progress in reducing expenditures at the same time as aligning our strategy with execution and marketing plans. It is important to note that we went live in Toronto last week as planned so this should also be accretive in the next quarter and beyond."



Q1 2020 Financial Highlights:

- Revenue growth of nearly 43% to \$1,100,327 (up from \$771,435 in Q1 2019). Note: this was a record revenue high for Q1 since inception of the company.
- Marketing and promotion decreased to \$12,882 (Q1 2019 - \$355,553) as the Company reduced marketing activity in an effort to conserve cash and focus on operational growth.
- Management and director fees in Q1 decreased to \$nil (Q1 2019 - \$75,000) as the Company reduced fees to reduce overhead costs and conserve cash in the current period.
- Share-based compensation in Q1 decreased to \$42,687 (Q1 2019 - \$405,752) due to fewer stock options being granted during the current period.
- During the three months ended March 31, 2020, the Company had a net loss of \$866,173 compared to \$1,404,056 (a decrease of 38%) during the three months ended March 31, 2019.

Subsequent to the period ended March 31, 2020, a few notable events occurred:

- On April 14, 2020, the Company completed a non-brokered private placement of US\$367,500.
- On May 6, 2020, the Company granted 2,875,000 stock options to directors, officers and consultants of the Company. The options have an exercise price of \$0.09 per option and expire on May 6, 2025.
- On June 18, 2020, the Company went live in Toronto and deliveries are now being made to consumers.

Outlook

The Company's strategic priorities for the remainder of fiscal 2020 include:

- Continued development of the ParcelPal product through a series of build-measure-learn iterations and moving beyond the restaurant vertical.
- Building an exceptional and world-class brand with a focus on high quality content.



- Increasing the number of merchants and users using the ParcelPal platform.
- Using data, technology, and inbound selling to ramp up sales and revenue generation.
- Continued expansion into large markets in Canada and also planning the Company's entry into the United States market.

The Company's complete financial results are available in its unaudited financial statements and Management's Discussion & Analysis for the quarter ended March 31, 2020, each of which have been filed with Canadian securities regulators at www.sedar.com.

About ParcelPal Technology Inc.

ParcelPal is a leader in the growing technology and logistics industry. ParcelPal seamlessly connects consumers to businesses, where they have access to the goods they love, anytime, anywhere. Customers can shop at partner businesses and through the ParcelPal technology receive their purchased goods within an hour or the same day. The Company offers on-demand delivery of merchandise from leading retailers, restaurants, medical marijuana dispensaries and liquor stores in Vancouver, Calgary, Saskatoon, Toronto 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

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.