



ParcelPal Logistics Inc. Announces a Shift in Strategy Towards Further U.S. Expansion and Shedding Money Losing Business Units

Vancouver, British Columbia – October 17, 2023 – ParcelPal Logistics Inc. (the “**Company**” or “**ParcelPal**”), (OTCQB:PTNYF) (CSE:PKG) (FSE:PT0A) today announces that it will be shifting a significant amount of its focus and resources on its growing U.S. operations, entering into new profitable contracts primarily in the United States and shedding any money losing business units and/or contracts immediately. To this end, we have terminated our largest Canadian contract on a mutually agreeable basis with our customer. Our revenue growth and continued record margins have principally been driven by our expansion into the United States, which is the world’s largest consumer market, combined with improved operating efficiencies. The topline revenues coming out of the U.S. have outgrown and outpaced our original Canadian contract revenues. Conversely, even though our U.S. operations have achieved net profitability starting in June 2023, and while we have made concerted improvements in our Canadian contract margins, the existing Canadian side of our business overall has continued to sustain substantial net operating losses dating back to inception. Therefore, given the improved operating results in the U.S. operations, combined with organic opportunities for new higher margin recurring revenues having been presented to us, we have made the strategic decision to focus our personnel and capital resources moving forward to where we believe it will result in a higher return on investment and greater shareholder value in the near and long term. Additionally, with a more profitable business, we should be positioned to expand more quickly and take advantage of more opportunities as they arise, without the weight of supporting unprofitable operations.

We will however continue to pursue boutique and other high margin customers in Canada.

Despite terminating our largest Canadian contract and the topline revenue derived from it, we believe that with additional operational efficiencies that were previously implemented, one of the two final fiscal quarters of 2023 may still be profitable, as a result of the Company’s other operations making up the difference in net loss. Simply stated, we have achieved very substantial and positive operational progress, and look forward to achieving even greater growth and success in the near and long-term moving forward, especially with the opportunities that this shift presents.

ParcelPal’s CEO Rich Wheelless stated: “The Company’s decision to focus substantially all its capital resources and efforts on its profitable operations and additional growth opportunities, puts us in the best position for future success as we are laser focused on high margin and profitable site expansions, as well as in potentially complementary areas to the logistics space. I believe with these changes, the likelihood of getting to annual breakeven or profitability is much



more achievable, sooner. It is also important to note that there are some additional organic opportunities that have been presented in the United States because of the positive performance we have achieved, which is factoring into this decision. I also note that we have been operating in an extremely challenging stock market for small and microcap stocks since the fall of 2021. These broader market conditions have negatively affected our stock price; however, this shift to profitability and targeted expansion is intended to create additional shareholder value for our shareholders. I genuinely thank you all for your continued support and confidence.”

About ParcelPal Logistics Inc.

ParcelPal is a Vancouver, British Columbia based company that specializes in last-mile delivery service and logistics solutions. We are a customer-driven, courier and logistics company connecting people and businesses through our network of couriers in major Canadian cities including Vancouver, Calgary, and Toronto, as well as in the western region of the United States. Some of our verticals include pharmacy & health, meal kit deliveries, retail, groceries and more.

ParcelPal Website: www.parcelpal.com

Neither the Canadian Securities Exchange (“CSE”), the Securities and Exchange Commission nor any other securities regulatory authority has reviewed or accepts responsibility for the adequacy or accuracy of this news release that has been prepared by management.

OTCQB – Symbol: **PTNYF**

CSE – Symbol: **PKG**

FSE – Symbol: **PTOA**

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Forward-Looking Information

This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as “intends” or “anticipates”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should” or “would” occur. Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary, include, without limitation: general business, economic and social uncertainties; litigation, legislative, environmental, and other judicial, regulatory, political, and competitive developments; and other risks outside of the Company’s control.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. These forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update these forward-looking statements.