

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES**

## **Empower Clinics Announces Private Placement Financing of up to C\$3.0 Million**

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES**

**VANCOUVER, BC / ACCESSWIRE / January 5, 2022 / EMPOWER CLINICS INC. (CSE:CBDT)(Frankfurt:8EC)(OTCQB:EPWCF)** ("**Empower**" or the "**Company**") today announces it will be conducting a non-brokered private placement of units of the Company (each, a "**Unit**") at a price of \$0.20 per Unit, and unsecured convertible debenture units (each a "**Debenture Unit**") at a price of \$1,000 per Debenture Unit, for aggregate gross proceeds of up to \$3,000,000 (the "**Financing**").

Each Unit will consist of one common share in the capital of the Company (each, a "**Share**") and one common share purchase warrant of the Company (each, a "**Warrant**"). Each Warrant will entitle the holder to purchase one Share at a price of \$0.30 per Share for a period of two years from the date of issuance, subject to customary adjustments.

Each Debenture Unit will consist of one 6.0% senior unsecured convertible debenture of the Company having a principal amount of \$1,000 (each, a "**Debenture**") and 5,000 Warrants, having the terms set out above. The Debentures will bear interest at the rate of 6.0% per annum and mature on the date that is two years from the date of issuance. The principal amount of each Debenture shall be convertible, for no additional consideration, into Shares at the option of the holder at any time prior to the maturity date at a conversion price of \$0.20 per Share, subject to customary adjustments.

The Company expects to pay finders' fees in connection with the Financing. The closing of the Financing is expected to occur on or about January 6<sup>th</sup>, 2022. Closing will be subject to several conditions, including receipt of all necessary corporate and regulatory approvals. The proceeds of the Financing are expected to be used for advancing the company's growth plans, working capital purposes and general administrative expenses.

Certain insiders of the Company, including the Company's Chief Executive Officer, Steven McAuley, intend to subscribe for an aggregate of 1.75 million Units. In connection with the Financing, Mr. McAuley intends to enter into a securities lending agreement with a purchaser of Debenture Units (the "**Borrower**") pursuant to which, immediately following the Closing, the Borrower will provide Debentures in the principal amount of \$1.2 million to Mr. McAuley as collateral for 6,000,000 unrestricted Shares to be lent by Mr. McAuley. The terms will include that: (i) at the maturity of the Debentures (or earlier termination of the agreement), the Borrower will return the Shares; (ii) the delivery of the Shares will constitute a loan, and not a sale or transfer of beneficial ownership to the Borrower; (iii) until the maturity of the Debentures (or earlier termination of the agreement), the Borrower will have all of the incidents of ownership of the Shares; and (iv) all voting and other rights attaching to the Shares will accrue to Mr. McAuley as the beneficial owner. No compensation will be paid to Mr. McAuley in respect of this loan.

The participation by insiders of the Company in the Financing will constitute a related party transaction as defined under Multilateral Instrument 61-101, *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company intends to rely on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the aggregate fair market value of the units of the Company to be acquired or sold

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES**

by the insiders, nor the consideration for the units of the Company paid by such insiders, will exceed 25% of the Company's market capitalization.

All the securities that may be issued in connection with the Financing will be subject to a hold period under applicable Canadian securities laws of four months and one day from the Closing. None of the securities to be issued in connection with the Financing will be registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons" (as such term is defined in Regulation S under the 1933 Act), absent registration or an applicable exemption from such registration requirements.

**ABOUT EMPOWER**

Empower is an integrated healthcare company that provides body and mind wellness for patients through its clinics, with digital and telemedicine care, a medical device company and world-class medical diagnostics laboratories. Supported by an experienced leadership team, Empower is aggressively growing its clinical and digital presence across North America. Its Health & Wellness and Diagnostics & Technology business units are positioned to positively impact the integrated health of our patients, while simultaneously providing long term value for our shareholders.

**ON BEHALF OF THE BOARD OF DIRECTORS:**

Steven McAuley  
Chief Executive Officer

**CONTACTS:**

Media:

Steven McAuley CEO  
s.mcauley@empowerclinics.com  
604-789-2146

Investors:

Tamara Mason  
Business Development &  
Communications  
[t.mason@empowerclinics.com](mailto:t.mason@empowerclinics.com)  
416-671-5617

**DISCLAIMER FOR FORWARD-LOOKING STATEMENTS**

*This news release contains certain "forward-looking statements" or "forward-looking information" (collectively "forward looking statements") within the meaning of applicable Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Forward-looking statements can frequently be identified by words such as "plans", "continues", "expects", "projects", "intends", "believes", "anticipates", "estimates", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include statements regarding the expected size of the Financing, the*

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES**

*expected use of proceeds of the Financing, and expected insider participation in the Financing. Such forward-looking statements are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including that the Financing may not be completed on the terms expected or at all, and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws.*