

Rapid Dose Therapeutics Corp Announces Proposed Private Placement

BURLINGTON, Ontario--(BUSINESS WIRE)--May 26, 2022--Rapid Dose Therapeutics Corp. (“**RDT**”), (CSE: **DOSE**), a Canadian biotechnology company leveraging an innovative, proprietary oral delivery platform, today announced that it plans to complete a private placement financing (the “**Financing**”) for up to \$5,000,000 of gross proceeds, consisting of up to 5,000 units (the “**Units**”) at a price of \$1,000 per Unit. Each Unit will consist of \$1,000 principal amount of unsecured convertible notes (the “**Notes**”) and 100 common share purchase warrants of the Company (the “**Warrants**”).

All Notes will have a maturity date of 24 months from the closing date and will bear interest from their date of issue at 10.0% per annum, payable quarterly in arrears. A further 2% per annum interest payment will be made annually in cash or in common shares of the Company (“**Common Shares**”) as determined by the Company. During the second year of the two-year term of the Notes, the Company may prepay all or any portion of each of the Notes with an early termination fee payable to each noteholder of 1% of the amount of the principal prepayment of the Note.

The Notes will be convertible, at the option of the holders at any time prior to maturity, into Common Shares at a conversion price of \$0.40 per Common Share. Each Warrant may be exercised for one Common Share at a price of \$0.40 per Common Share for a term of 24 months from the closing date. All securities issued on the Financing will be subject to a four month hold from the date of closing.

The Company intends to use the proceeds from the Financing to continue its research and development of oral thin films embedded with vaccines and mRNA as the active ingredients, to finance capital expansion projects for specific revenue streams, for working capital supporting revenue streams coming on line and costs and fees for the Financing.

Meadowbank Asset Management Inc. (“**Meadowbank**”) will act as lead broker in the Financing. Fees payable to Meadowbank or other authorized dealers or finders will be cash of 8.0% of the gross proceeds raised and broker warrants equal to 8% of such gross proceeds (the “**Broker Warrants**”). Each Broker Warrant shall entitle the holder thereof to acquire one Common Share at a price of \$0.40 per share for a term of 24 months from the closing date.

Mark Upsdell, CEO of Rapid Dose Therapeutics stated “The Company’s commitment to the activities and strategic relationships required for the ongoing and accelerating development of the vaccine strip provides an important opportunity for the Company to make a significant difference in the wellbeing of people in all parts of the world. Our revenue generating agreements now in place provide the cash flow to support the cost of maintaining the debt instruments to maturity. The value of this type of financing for shareholders is that it provides the cash resources required during this stage of the Company’s development while minimizing the dilutive impact of traditional equity raises.”

About Rapid Dose Therapeutics Corp.

Rapid Dose Therapeutics is a Canadian biotechnology company revolutionizing drug delivery through innovation. The Company's flagship product QuickStrip™ is a thin, orally dissolvable film, that can be infused with an infinite list of active ingredients, including nutraceuticals, pharmaceuticals and vaccines, that are delivered quickly into the bloodstream, resulting in rapid onset of the active ingredient. For more information about the Company, visit www.rapid-dose.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

Certain information in this news release may contain forward-looking information within the meaning of applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend", "will", "could", "are planned to", "are expected to" or the negative of these terms and similar expressions. Statements containing forward-looking information, including, without limitation, in respect of the delivery of equipment and products using the QuickStrip™ product delivery method, the generation of recurring revenues, the plans, estimates, forecasts, projections, expectations or beliefs of RDT management as to future events or results and are believed to be reasonable based on information currently available to RDT management. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; termination of WLM agreements; future legislative and regulatory developments involving cannabis; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the cannabis industry in Canada generally, income tax and regulatory matters; the ability to implement its business strategies; competition; currency and interest rate fluctuations and other risks. Readers are cautioned that the foregoing list is not exhaustive. There can be no assurance that statements of forward-looking information, although considered reasonable by RDT management at the time of preparation, will prove to be accurate as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. Actual results and future events could differ materially from those anticipated in such forward-looking statements. Readers should not place undue reliance on forward-looking statements. 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 expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities described herein in the United States. The securities described in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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