

COVER TECHNOLOGIES INC.
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Cover Technologies Announces Closing of Convertible Promissory Note Offering, Non-brokered Private Placement of Shares and Debt Settlement

VANCOUVER, BC – July 10, 2023 – Cover Technologies Inc. (the “**Company**”) (CSE: COVE) (OTC: MGPRF) (Frankfurt: 304A) is pleased to announce that it has completed a private placement consisting of unsecured convertible notes (the “**CN Offering**”) for gross proceeds of \$1,500,000 pursuant to which the Company issued unsecured convertible notes (each, a “**Note**”).

The terms of the Notes include, among other things:

- (i) a maturity date (the “**Maturity Date**”) which is the earlier of: (i) the date which is six (6) months after the closing of the proposed acquisition by the Company of all of the outstanding common shares of PlasCred Inc. (“**PlasCred**”) pursuant to the terms of a securities exchange agreement dated March 1, 2023, as amended May 24, 2023, with PlasCred and each of the shareholders of PlasCred (the “**Transaction**”); and (ii) the date which is ninety (90) days after the date on which PlasCred advises the Company that it will not be proceeding with the Transaction;
- (ii) interest (“**Interest**”) at the rate of 5.00% per annum, payable on the Maturity Date; and
- (iii) the right of the holder, at any time on or before the Maturity Date, to elect to convert the outstanding principal amount and any accrued and unpaid Interest, into Shares (each, a “**Note Share**”) at a price of \$0.15 per Note Share.

The Company also announces that it has completed a non-brokered private placement (the “**PP Offering**”), pursuant to which it issued an aggregate of 10,679,324 common shares (each, a “**PP Share**”) of the Company at a price of \$0.15 per PP Share for aggregate gross proceeds of \$1,601,898.60.

There were no finder’s fees associated with the CN Offering or the PP Offering.

The aggregate gross proceeds from the sale of the CN Offering and the PP Offering will be used for the Company’s operations and for general working capital purposes.

The Company also announces that it has issued 792,498 Shares (each, a “**DS Share**”) of the Company at a deemed price of \$0.1525 per DS Share in settlement of \$120,856.12 of debt owing to one creditor (the “**Debt Settlement**”).

All securities issued in connection with the CN Offering, the PP Offering and the Debt Settlement are subject to a statutory hold period expiring four months and one day after closing of the CN Offering, the PP Offering and the Debt Settlement.

None of the securities sold in connection with the CN Offering, PP Offering and the Debt Settlement are registered under the United States Securities Act of 1933, as amended, and no such securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful

ON BEHALF OF THE BOARD

Dorian Banks – CEO

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

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The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.