

NEWS RELEASE

RAILTOWN ANNOUNCES FILING OF PRELIMINARY PROSPECTUS

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Burnaby, BC – July 16, 2021 - Railtown AI Technologies Inc. (“Railtown” or the “Company”) is pleased to announce that it has filed a preliminary long-form prospectus (the "**Preliminary Prospectus**") with the securities regulators in each of the Provinces of British Columbia, Alberta and Ontario, in connection with its public offering (the "**Offering**") of a minimum of 7,500,000 common shares (the "**Offered Shares**") and a maximum of 12,500,000 Offered Shares, at a price of \$0.40 (the "**Offering Price**") per Offered Share. Pursuant to the Offering, the Company intends to raise gross proceeds of a minimum of \$3,000,000 and a maximum of up to \$5,000,000.

ROTH Canada, ULC (the "**Agent**") is acting as agent for the Offering on a commercially reasonable efforts basis. In connection with the Offering the Company has granted the Agent an option (the "**Over-Allotment Option**"), exercisable, in whole or in part, any time up to 48 hours prior to the closing of the Offering, to purchase up to an aggregate number of additional Offered Shares as is equal to 15% of the number of Offered Shares sold pursuant to the maximum offering amount of the Offering at the Offering Price, to cover over-allocations, if any, and for market stabilization purposes.

"The world of software development is getting bigger and more complex daily as every company big and small effectively becomes a software company. Software bugs can cause huge inefficiencies in engineering and catastrophic failures, security risks and negative financial impact. Applying the capital raised from this public offering to the commercialization of our platform will accelerate our growth and allow us to reach more customers faster where our service can make an immediate recognizable impact" Cory Brandolini, Chief Executive Officer of Railtown.

In connection with and as a condition to the closing of the Offering, the Company intends to apply to list all of its common shares in the authorized share structure of the Company on the Canadian Securities Exchange (the "**CSE**"), subject to the Company fulfilling all the initial listing requirements and conditions of the CSE including prescribed distribution and financial requirements.

The Preliminary Prospectus contains important information relating to the Company, the Offered Shares and the Offering and is still subject to completion or amendment. Copies of the Preliminary Prospectus are available on SEDAR at www.sedar.com. The Preliminary Prospectus has not yet become final for purposes of a distribution of securities to the public. There will not be any sale or any acceptance of an offer to buy the Offered Securities until a receipt for the final long-form prospectus has been issued.

No securities regulatory authority has either approved or disapproved the contents of this news release. This news release does not constitute an offer to sell or the solicitation of an offer to buy,

nor shall there be any sale or any acceptance of an offer to buy these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The securities have not been and will not be registered under the United States Securities Act of 1933 (the “**U.S. Securities Act**”), as amended, or any state securities laws, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the U.S. Securities Act). Accordingly, the securities may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registrations requirements of the U.S. Securities Act and applicable state securities laws.

**ON BEHALF OF THE BOARD OF
RAILTOWN AI TECHNOLOGIES INC.**

CORY BRANDOLINI
Chief Executive Officer, President & Director

ABOUT RAILTOWN AI TECHNOLOGIES INC.

Railtown is developing a SAAS-delivered solution for software development teams that will utilize AI to drive optimizations and deliver insights at every stage of software development.

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This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “intends”, “anticipates”, “expects” and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the future plans and objectives of the Company, the filing of the final long-form prospectus, obtaining the receipt for the final long-form prospectus, receiving applicable regulatory approvals, the completion of the Offering, the exercise of the Over-Allotment Option and the listing of the Company's common shares on the CSE, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are risks detailed from time to time in the filings made by the Company with securities regulators.

Readers are cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company

cannot guarantee that any forward-looking statement will materialize, and readers should not 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 law.