

## Cloud Nine College Exclusive Selection for Mexican Government Scholarship Program

Vancouver, B.C. – (April 4, 2017) Cloud Nine Education Group Ltd. (the "Company" or "Cloud Nine") is pleased to announce that it has reached an agreement to provide ESL studies for more than 72,000 students at three institutions in Michoacan State under a Mexican government scholarship program. Participating students would come to Vancouver to study ESL at the Company's wholly owned subsidiary, Cloud Nine College ("CNC"). The scholarship is good news for the Company as the program is exclusive to CNC. No other school is eligible to participate.

Company management conservatively estimate that the scholarship program will result in more than 70 students per month registering for classes at Cloud Nine College which would double annual tuition revenues. The actual number of students taking advantage of the program, however, could well end up being two or three times that figure in which case tuition revenues at CNC would increase accordingly.

The primary focus of the program from the government and institutional perspective is to assist students to meet the ESL requirements needed for graduation. Unless students meet the ESL standard, they do not receive their degree certificates and years of study are left uncompleted. It is a situation that affects thousands of students in Mexico and provided the basis for Cloud Nine and INTEREDU, its agency partner in Mexico, to work out an agreement that would break open the current impasse.

Company President & CEO, Michael Hunter said, "This agreement positions the Company to reach our milestone of becoming cash flow positive on schedule and keep CNC at full capacity, even during the winter months that tend to be slower periods in the ESL market."

Looking forward, Hunter was clear on what the next step would be stating, "Cloud Nine has been very impressed with the results of our association with INTEREDU. We will now seek to collaborate with them again and have the Cloud Nine ESL Program integrated directly into courses being offered at these institutions in Michoacan. Management is of the view that the integration would assist students to meet their language requirements while expanding the market for our Cloud Nine ESL Program in the process."

The scholarship agreement was executed on March 31, 2017 and went into effect immediately. A successful first year of the initiative could result in more than 500,000 additional students in Michoacan State becoming eligible to participate in the program.

## **About Cloud Nine Education Group Ltd.**

The Company specializes in the development and sale of its English language curriculum called the Cloud Nine ESL Program. The system is technologically advanced replacing textbooks with tablets and smart phones which better meets the needs of today highly mobile student. YouTube videos and internet links are embedded in the curriculum's core content to create a dynamic and interactive platform. Unlike a textbook based program, the cloud hosted format allows Cloud Nine's team of curriculum developers to keep pace with world events and provide learning materials that are relevant and engaging for students. The Company also owns and operates an accredited ESL school in Vancouver called Cloud Nine College Ltd.



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## **Forward-Looking Information**

Cautionary Note Regarding Forward-Looking Statements: This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws or forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, including the timing of Cloud Nine becoming cash flow positive, anticipated growth of Cloud Nine's tuition revenues and the number of students registering for CNC, are forward-looking statements and contain forward-looking information. 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", "would" or "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, including the assumptions that the Company will be receive sufficient revenues to become cash flow positive, anticipated growth of Cloud Nine's tuition revenues and that students will register for CNC. 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, the risk that revenues will not grow as anticipated for Cloud Nine to become cash flow positive and that the number of students registering for CNC will be lower than anticipated. 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. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial outlook that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.