



## **Softlab9 Signs Letter of Intent to Acquire CleanGo GreenGo, a Producer and Distributor of Non-Toxic, Environmentally Friendly Cleaning Solutions and Announces Non-Brokered Private Placement to Raise \$2 Million**

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May 21, 2020 – Vancouver, BC. Softlab9 Software Solutions Inc. (CSE: SOFT; Frankfurt: APO2; OTC: SOFSF) (“**SOFT**” or the “**Company**”) is pleased to announce that it has entered into a letter of intent (the “LOI”) to acquire CleanGo GreenGo Inc. (“CleanGo”), a privately held Alberta company that is the developer of a long lasting disinfectant technology that is eco-friendly and biodegradable (the “Transaction”). The proposed Transaction, if completed, will constitute a change of business of the Company, within the meaning of the policies of the Canadian Securities Exchange Inc. (the “CSE”) and will be subject to CSE and shareholder approval.

### **Transaction**

The final structure of the Transaction will be determined by the parties following the receipt of tax, corporate and securities law advice. The Transaction is an arm’s length transaction and pursuant to the provisions of the LOI, the parties intend to sign a definitive agreement (the “Definitive Agreement”) in respect of the Transaction on or before August 20, 2020, with an expected closing by the end of October 2020.

Under the terms of the LOI, all of the issued and outstanding common stock in the capital of CleanGo (the “CleanGo Shares”) will be exchanged for common shares in the capital of the Company. On closing, existing holders of CleanGo Shares will be issued an aggregate 8,500,000 common shares and CleanGo will be a wholly owned subsidiary of the Company.

Contingent upon CleanGo achieving specified sales milestones over the 2020, 2021, and 2022 financial years, SOFT may issue up to an additional 6,000,000 common shares to the selling CleanGo shareholders.

Effective on the closing of the Transaction, two current members of the board of directors of CleanGo will join the board of directors of the Company.

Completion of the Transaction is subject to a number of conditions, including but not limited to the following key conditions:

- completion of mutually satisfactory due diligence;
- completion of the Private Placement (see below);
- execution of the Definitive Agreement; and
- receipt of all required regulatory, corporate, and third-party approvals, and the fulfillment of all applicable regulatory requirements and conditions necessary to complete the Transaction.

Rahim Mohamed, CEO of SOFT, said “This potential acquisition is an established, revenue-producing, high tech player in the biodegradable and disinfectant and sanitizer space. CleanGo manufactures a family of environmentally friendly and innovative cleaning products for multi-surface and multi-purpose applications, as well as a 70% ethyl alcohol gel sanitizer for use in hand hygiene to inactivate the COVID-19 virus. We believe that CleanGo is well-placed to grow sales rapidly over the very near term as a result of the current high demand for cleaning products and sanitizers driven by COVID-19, and to benefit longer term from a continuing demand for a cleaner environment.”

A summary of financial information for CleanGo will be included in the next news release.

## **About "Clean Go Green Go"**

CleanGo GreenGo Inc. is a Canadian manufacturer of green, non-toxic, and biodegradable suite of cleaning products for industrial, commercial and consumer markets. CleanGo GreenGo, through its wholly owned Nevada subsidiary, is also a manufacturer of hand sanitizer gel sold throughout USA and Canada. CleanGo's products are sold on various online platforms, including Amazon, as well as through distribution into retail, wholesale, and government agencies. A provisional patent application in respect of the CleanGo intellectual property was filed with the United States Patent and Trademark Office in February 2020.

More information about CleanGo GreenGo can be found at <https://CleanGogreengo.com>

## **Non-brokered Private Placement**

The Company intends to complete a non-brokered private placement (the "Private Placement") of up to 6,000,000 units (the "Units") at a price of C\$0.35 per Unit, for gross proceeds of \$2,000,000, with an additional over allotment of up to 50%. Each Unit will be comprised of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder to acquire one additional common share in the capital of the Company at a price of \$0.60 per share, for a period of two years from the date the Units are issued.

Following the expiry of the resale restrictions on the Units, if the closing price of the Company's common shares on the CSE for 10 consecutive trading days (or the average of the 'bid' and 'ask' prices if not traded) is equal to or greater than C\$1.00 per share, the Company may accelerate the expiry time of the warrants by giving written notice within 10 days to warrant holders that the warrants will expire 30 days from the effective date of the notice.

The Company plans to allocate the net proceeds of the Private Placement to expenses related to the closing of the Transaction, to provide a bridge loan to CleanGo prior to closing of the Transaction that will be forgiven on closing of the Transaction, and for general working capital.

The Company may pay finder's fees on a portion of the Private Placement in accordance with applicable securities laws and the policies of the CSE. The securities underlying the Units will be subject to a four month hold period from the date of distribution.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities 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.

## **Cancellation of Previous Letter of Intent**

Further to its news release disseminated on December 3, 2019, the Company announces that its letter of intent dated November 18, 2019 with GEMX Exchange Ltd. has been cancelled in accordance with its terms. Pursuant to the LOI, the Company and GEMX were to complete a business combination that would result in a Change of Business of the Company under the policies of the Canadian Securities Exchange.

## **Resignation of a Director**

The Company also announces the resignation of Jay Ruckenstein as a director. The Company thanks Mr. Ruckenstein for his contributions to the Company over the past two years and wishes him all the best in his future endeavours.

## **About SoftLab9 Software Solutions Inc.:**

SoftLab9 Software Solutions Inc. is an incubator specializing in developing, launching, acquiring and vertically integrating companies. They foster a portfolio of assets internally while providing engineering,

capital, executive management, and industry experience. The Company brings together innovative ideas based on solid foundations and experienced teams to build leading companies.

### **Forward-looking Information**

*This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements in this presentation that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations, and orientations regarding the future, including without limitation statements related to the completion of the Private Placement and the use of the proceeds therefrom, and the Company's prospect of success in executing its proposed plans, including its plans to complete the acquisition of CleanGo and the prospects for CleanGo's business. Forward-looking statements can often be identified by words such as "will", "plans", "expects", "may", "intends", "anticipates", "believes", "proposes" or variations of such words including negative variations thereof and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements are based on certain assumptions by management regarding the Company, including, without limitation, investor interest in the Private Placement, and the Company's ability to acquire CleanGo and obtain required regulatory approvals and the timing thereof. Actual results could differ from those projected in any forward-looking statements due to numerous factors including, risks and uncertainties relating to the inability of the Company, to, among other things, obtain any required governmental, regulatory or stock exchange approvals, permits, consents or authorizations required to execute its proposed business plans, and obtain the financing required to carry out its planned future activities. Other factors such as general economic, market or business conditions or changes in laws, regulations and policies affecting the Company's operations may also adversely affect the future results or performance of the Company. The Company can provide no guarantee that it will be successful in completing the Private Placement or completing the acquisition of CleanGo. Investors are cautioned that forward looking statements are not guarantees of future performance or events and, accordingly are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. The forward-looking statements included in this news release are made as of the date hereof and the Company does not intend to update or revise any forward-looking statements, except as expressly required by law.*

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