

Cognetivity Neurosciences Announces Private Placement of Convertible Preferred Shares

Vancouver, British Columbia--(Newsfile Corp. - October 7, 2022) - **Cognetivity Neurosciences Ltd. (CSE: CGN) (OTCQB: CGNSF) (FSE: 1UB) (the "Company" or "Cognetivity")** is pleased to announce, that it intends to complete a non-brokered private placement of up to 10,344,828 convertible preferred shares (the "Preferred Shares") of the Company at a price of \$0.29 per Preferred Share for aggregate proceeds of up to \$3,000,000 (the "Private Placement"). Each Preferred Share is convertible into one (1) common share (the "Common Shares" or each a "Common Share") of the Company without any additional consideration.

The Preferred Shares will not be redeemable before the date that is one year from the date of issuance (the "Redemption Date"), subject to the Accelerated Redemption Date (as defined below).

On and after the Redemption Date, the Preferred Shares will be redeemable in whole or in part, from time to time at the option of the holders of the Preferred Shares (the "Redemption Option") at a price of C\$0.58 per Preferred Share for a period of 30 days following the Redemption Date under the terms and conditions attaching to the Preferred Shares and in accordance with a certain investor rights agreement that will be entered into between the Company and the subscribers.

In the event that the Company completes an equity financing of at least US\$15,000,000, the Redemption Date will be accelerated to the date the Company completes such equity financing (the "Accelerated Redemption Date").

Closing of the Private Placement is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the Canadian Securities Exchange. All securities issued in connection with the Private Placement will be subject to a statutory hold period in accordance with applicable securities legislation. The Company intends to use the net proceeds for the expansion of the Company's commercial operations and business development capacity, marketing, technical development, as well as general operations.

About Cognetivity Neurosciences Ltd.

Cognetivity is a technology company that has created a cognitive testing platform for use in medical, commercial and consumer environments. Cognetivity's ICA uses Artificial Intelligence and machine learning techniques to help detect the earliest signs of cognitive impairment by testing the performance of large areas of the brain. The ICA is currently available for clinical use in the USA, UK and Europe, with regulatory approval for other regions planned for 2022.

ON BEHALF OF THE BOARD

"Sina Habibi"
Sina Habibi

Chief Executive Officer and Director

FORWARD-LOOKING STATEMENTS:

Certain statements included in this news release constitute forward-looking information or statements (collectively, "forward-looking statements"), including those identified by the expressions "anticipate", "assume" "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This news release contains forward looking statements. These forward-looking statements are not guarantees of future performance

and involve risks, uncertainties and assumptions which are difficult to predict. Such statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.

For further information: Please visit: www.cognativity.com or contact: info@cognativity.com; For media enquiries, please contact: Josh Stanbury, josh@sjspr.co, 416-628-7441

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/139894>