



## ZeU Completes Debt Settlement Transaction

-FOR IMMEDIATE RELEASE-

**Montréal, May 17, 2023** – **ZeU Technologies Inc. (CSE: ZEU) (OTC: ZEUCF)** is pleased to announce that further to its press release dated April 5, 2023, the Corporation has completed the transaction contemplated under the debt settlement agreement entered into between the Corporation and St-Georges Eco-Mining Corp. on March 31, 2023.

The transaction was completed by issuing to St-Georges:

- a) 1,386,328 common shares of the Corporation (the “**Debt Shares**”) at a deemed issue price of \$0.10 per Debt Share;
- b) 6,500,000 common share purchase warrants (the “**Warrants**”) exercisable into common shares of the Corporation (“**Shares**”) for a period of three years from their issuance at a price of \$0.15 per Share, providing that any payment received by the Corporation upon the exercise of the Warrants will be used to repay the capital of the Debenture (as defined below); and
- c) an unsecured non-convertible debenture of the Corporation in the principal amount of \$947,467.22 maturing on April 30, 2027, bearing annual interest at 18% payable quarterly in Shares at a price equal to the greater of: (i) the 10-day VWAP of the Shares on the Canadian Securities Exchange (the “**CSE**”) at the end of each quarter, and (ii) \$0.10 per Share (the “**Debenture**”).

Pursuant to the Debt Settlement, St-Georges accepted the issuance of the Debt Shares, the Warrants, and the Debenture (the “**Debt Securities**”) as full and final repayment of all outstanding debts owed to St-George by ZeU prior to the Debt Settlement (the “**Prior Debt**”) and all accrued and unpaid interest on the Prior Debt, having an aggregate value of \$1,086,099.98. Upon receipt of the Debenture, the Prior Debt was extinguished.

The Debt Securities are subject to a hold period expiring on September 18, 2023, in accordance with applicable securities laws and the policies of the CSE. The Debt Settlement is subject to the applicable approval of the CSE.

The Debt Settlement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Corporation is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(e) of MI 61-101. The Corporation did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Debt Settlement, which the Corporation deems reasonable in the circumstances as the Corporation was in the process of negotiating the terms of the Debt Settlement.

## **Early Warning Report**

The below is being provided in connection with the filing of an early warning report by St-Georges (the “**Early Warning Report**”) pursuant to the requirements of National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

Prior to the Debt Settlement, St-Georges held 10,136,191 Shares, representing approximately 24.54% of the issued and outstanding Shares on an undiluted basis. Following completion of the Debt Settlement, St-Georges’ holding of Shares represents approximately 26.99% of the issued and outstanding Shares on an undiluted basis (based on an aggregate of 42,694,276 issued and outstanding Shares), and its holding of Warrants and Debenture represents approximately 44.35% of the issued outstanding Shares on a partially-diluted basis, assuming the exercise of the 6,500,000 Warrants and the payment of the Debenture’s interest at the minimum conversion price of \$0.10 per Share on the Debenture’s principal amount until maturity.

A copy of the Early Warning Report to be filed by St-Georges in connection with the Debt Settlement will be available on ZeU’s SEDAR profile once it has been filed in accordance with applicable securities laws. A copy may be obtained by contacting Neha Tally, Corporate Secretary of the Corporation, at [neha\\_tally@dumasbancorp.com](mailto:neha_tally@dumasbancorp.com) or +1 514 996-6342.

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ON BEHALF OF THE BOARD OF DIRECTORS

**“Frank Dumas”**

Frank Dumas  
President & CEO

### **About ZeU**

ZeU is a forward-thinking Canadian technology company that has developed a state-of-the-art DLT protocol, providing the foundation for the next generation of encrypted and distributed networks. Thanks to its high level of sophistication, ZeU’s technology maximizes transparency, security and scalability, as well as big data management. ZeU’s strategy is to monetize DLT transactions in diverse sectors such as payment, gaming, data, and healthcare.

*The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.*