



Newtopia Announces Closing of \$2.5 Million Secured Debenture Unit Private Placement

Private Placement is tied to a negotiation of an Enhanced Credit Facility with a Schedule I Canadian Bank

TORONTO, ONTARIO – September 15, 2021, Newtopia Inc. (“**Newtopia**” or the “**Company**”) (TSXV: NEWU), a tech-enabled habit change provider focused on disease prevention, today announced it has closed a non-brokered private placement of subordinated and postponed 8.0% secured non-convertible debenture units (the “**Units**”) for gross proceeds of CAD\$2.545 million (the “**Offering**”).

Each Unit is comprised of: (i) \$10,000 principal amount of subordinated and postponed secured non-convertible debentures of the Company (the “**Debentures**”); and (ii) 1,724 common share purchase warrants of the Company (each whole warrant, a “**Warrant**”, and collectively, the “**Warrants**”). Each Warrant is exercisable for one common share of the Company (a “**Common Share**”) until September 15, 2023 (the “**Expiry Date**”). The exercise price of Warrants shall be \$0.58 per share during the first year following the closing date of the Offering (the “**Closing Date**”) and \$0.75 per share following the one-year anniversary of the Closing Date until the Expiry Date. The securities issued pursuant to the Offering are subject to a four month hold period that expires on January 16, 2022. An aggregate of 438,777 Warrants were issued in connection with the closing of the Offering.

The Debentures will mature on September 15, 2023 (the “**Maturity Date**”) and are secured by the assets of the Company and bear interest at a rate of 8.0% per annum payable quarterly in arrears in cash.

The Debentures cannot be redeemed for four months from closing of the Offering; however can thereafter be repaid in part or in full at any time subject to an early repayment fee equal to: (i) 6% of the principal amount of the Debenture if repayment occurs prior to the date that is six months following the Closing Date; (ii) 4% of such principal amount if repayment occurs following the date that is six months following the Closing Date but prior to the first anniversary of the Closing Date; (iii) 3% of such principal amount if repayment occurs following the first anniversary of the Closing Date but prior to the date that is six months following such first anniversary; or (iv) 2% of such principal amount if repayment occurs following the date is six months following the first anniversary of the Closing Date but prior to the Maturity Date.

The Debentures and the Warrants issued pursuant to the Offering and any Common Shares issued upon the exercise of Warrants, will be subject to a hold period of four months plus one day from the date of closing of the Offering, except as permitted by applicable securities legislation and the rules of the TSX Venture Exchange (the “**Exchange**”). The Offering is subject to approval by the Exchange.

Finders acting in connection with this Offering received a finder’s fee in the aggregate total amount of \$108,500 and an aggregate 187,067 finder’s warrants exercisable for Common Shares until September 15, 2022 at an exercise price of \$0.58 per share.

The Corporation will use the proceeds of the Offering for corporate and general working capital purposes.

The completion of the Offering is tied to the negotiation of an enhanced credit facility with a Schedule I Canadian Bank that the Company will provide an update on in the near-term.

About Newtopia

Newtopia is a tech-enabled habit change provider focused on disease prevention and reducing the cost of care for health insurers. As a provider of whole person care, we prevent, reverse, and slow the progression

of chronic disease while enriching mental health, resilience and overall human performance. Newtopia's programs leverage genetic, social, and behavioral insights to create individualized prevention programs with a focus on type 2 diabetes, heart disease, stroke and weight. With a person-centered approach that combines virtual care, digital tools, connected devices and actionable data science, Newtopia delivers sustainable clinical and financial outcomes. Newtopia serves some of the largest nationwide employers and health plans and is currently listed on the Toronto Stock Exchange (TSXV: NEWU). To learn more, visit newtopia.com, [Facebook](#), [LinkedIn](#) or [Twitter](#).

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Forward Looking Statements

This news release contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, and forward looking statements, within the meaning of applicable United States securities legislation (collectively, "forward-looking statements"), which reflects management's expectations regarding Newtopia's future growth, results from operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. All statements other than statements of historical fact may be forward-looking information. Such statements reflect Newtopia's current views and intentions with respect to future events, based on information available to Newtopia, and are subject to certain risks, uncertainties, and assumptions. Material factors or assumptions were applied in providing forward-looking information. While forward-looking statements are based on data, assumptions and analyses that Newtopia believes are reasonable under the circumstances, whether actual results, performance or developments will meet Newtopia's expectations and predictions depends on a number of risks and uncertainties that could cause the actual results, performance and financial condition of Newtopia to differ materially from its expectations. These forward-looking statements include, among other things, Exchange approval of the Offering, the use of proceeds from the Offering, the Company negotiating and/or entering into an updated enhanced credit facility with its Schedule I Canadian bank lender on favorable terms or at all, statements relating to Newtopia's business plans and outlook. Forward-looking statements are not a guarantee and are based on a number of estimates and assumptions management believes to be relevant and reasonable, whether actual results, performance or developments will meet Newtopia's expectations and predictions depends on a number of risks and uncertainties that could cause the actual results, performance and financial condition of Newtopia to differ materially from its expectations. Certain of the "risk factors" that could cause actual results to differ materially from Newtopia's forward-looking statements in this press release include, without limitation: the termination of contracts by clients, risks related to COVID-19 including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and other general economic, market and business conditions and factors, including the risk factors discussed or referred to in Newtopia's disclosure documents, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com including Newtopia's final long form prospectus dated March 30, 2020.

Should any factor affect Newtopia's in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, Newtopia does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release, and Newtopia undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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