

Tenet Announces Brokered Private Placement of Unsecured Convertible Debentures for Gross Proceeds of Up to \$25,000,000

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Toronto, Ontario--(Newsfile Corp. - March 16, 2023) - Tenet Fintech Group Inc. (CSE: PKK) (OTC Pink: PKKFF) ("Tenet" or the "Company"), an innovative artificial intelligence (AI) service provider and operator of the Business Hub™, today announced that it has entered into an engagement letter (the "**Engagement Letter**") with Research Capital Corporation ("**RCC**" or the "**Agent**") dated March 15, 2023 in connection with a private placement offering (the "**Offering**") of a minimum of 1,000 units and a maximum of 2,500 units of non-secured convertible debentures for gross proceeds of a minimum of \$10,000,000 and a maximum of \$25,000,000.

Pursuant to the Engagement Letter, RCC will act as lead agent and sole bookrunner on a best-efforts basis for the Offering. The Company will also grant to RCC an over-allotment option to offer up to an additional 15% of units or up to an additional 375 units.

Each unit (a "**Unit**") of the Offering is comprised of \$10,000, face value, of non-secured convertible debentures (the "**Debentures**") and 10,000 warrants (the "**Warrants**") to purchase common shares of the Company ("**Common Shares**") at a price of \$2.00 per share any time prior to the expiry date of the Warrants, subject to certain terms and conditions. The Debentures will mature twenty-four (24) months from the date of their issuance (the "**Maturity Date**"), and the Warrants will expire twenty-four (24) months from the date of their issuance (the "**Expiry Date**"). The Debentures will bear interest at a rate of 10% per annum, payable in cash. Interest shall be paid by Tenet monthly, starting on the last day of the first month following the date of issuance of the Debentures.

From the date of issue until the Expiry Date, unless automatically converted, investors may elect to convert, in whole or in part, the face value of the Debentures into Common Shares of the Company at the lower of \$1.00 per Common Share or the price per unit or per common share sold by Tenet in the course of any financing that takes place prior to the date on which the Debentures are so converted. At any time prior to the Expiry Date, if the Common Shares trade at a price of \$1.50 or more for three (3) consecutive trading days, the then remaining face value of the Debentures will be automatically converted into Common Shares at the lower of \$1.00 per Common Share or the price per unit or per common share sold by Tenet in the course of any Offering that takes place prior to the date on which the Debentures are so converted.

The Company shall pay RCC a cash commission equal to 7% of the gross proceeds of the Offering. In addition, the Company will grant RCC warrants entitling RCC to purchase a number of Units, equal to 7.0% of the gross amount of the Offering sold, at a price of \$1.00 per Unit for a period of to 24 months following the closing date of the Offering (the "**Agent Warrants**"). Each Agent Warrant shall be exercisable into one Common Share and one Common Share purchase warrant exercisable at a price of \$2.00 for a period of 24 months following the closing of the Offering.

The Units will be eligible for RRSP, RESP, RRIF, TFSA and DPSP accounts within the meaning of the Income Tax Act (Canada), subject to certain qualifications, and will be offered and sold by private placement in Canada to "accredited investors" within the meaning of NI 45-106 - Prospectus Exemptions and other exempt purchasers under the applicable securities laws.

The securities issued in connection with the Offering are subject to a hold period of four months and one day from the closing date of the Offering. The Offering is expected to close on or about April 7, 2023.

Tenet and the Agent may close the Offering in multiple rounds until the maximum gross amount of \$25,000,000 is reached. Tenet is expected to use the net proceeds of the Offering for working capital related to its Canadian operations, although part of the proceeds may also be allocated to growing its Chinese operations, or such other matters as may be deemed by the Company. The Offering is intended to provide Tenet with the short-term capital it needs to execute its business plan, while its short form prospectus offering of up to \$30,000,000 continues to be under review by the Ontario Securities Commission. Completion of the Offering is subject to certain conditions precedent including compliance with the policies of the Canadian Securities Exchange.

About Research Capital Corporation:

Research Capital Corporation is the only private employee-owned Investment Dealer with a significant Capital Markets presence. Its century of experience combined with the industry experience of its Investment Banking team gives it considerable influence in capital raising and M&A transactions. Focusing on the small to mid-cap market, it has raised billions for Canadian listed companies in the past ten years. With a talented group of Capital Markets professionals, Research Capital Corporation is consistently characterized as the Investment Dealer that growth company CEOs turn to when looking for comprehensive investment banking advice along with institutional and retail account distribution.

About Tenet Fintech Group Inc.:

Tenet Fintech Group Inc. is the parent company of a group of innovative financial technology (Fintech) and artificial intelligence (AI) companies. All references to Tenet in this news release, unless explicitly specified, includes Tenet and all its subsidiaries. Tenet's subsidiaries provide various analytics and AI-based services to businesses and financial institutions through the Business Hub™, a global ecosystem where analytics and AI are used to create opportunities and facilitate B2B transactions among its members. Please visit our website at: <http://www.tenetfintech.com>.

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Forward-Looking Statements / Information:

Certain statements included in this news release constitute "forward-looking statements" under Canadian securities law, including statements based on management's assessment and assumptions and publicly available information with respect to Tenet. By their nature, forward-looking statements involve risks, uncertainties and assumptions. Tenet cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although reasonable at the time they were made, subject to greater uncertainty. Forward-looking statements may be identified by the use of terminology such as "believes," "expects," "anticipates," "assumes," "outlook," "plans," "targets", or other similar words.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause actual results, performance or achievements of Tenet to be materially different from the outlook or any future results, performance or achievements implied by such statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Important risk factors that could affect the forward-looking statements in this news release include, but are not limited to, holding company with significant operations in China; general economic and business conditions, including factors impacting the Company's business in China such as pandemics and COVID-19; legislative and/or regulatory developments; Global Financial conditions, repatriation of profits or transfer of funds from China to Canada, operations in foreign jurisdictions and possible exposure to corruption, bribery or civil unrest; actions by regulators; uncertainties of investigations, proceedings or other types of claims and litigation; timing and completion of capital programs; liquidity and capital resources, negative operating cash flow and additional funding, dilution from further financing; financial performance and timing of capital; and other risks detailed from time to time in reports filed by Tenet with securities regulators in Canada. Reference should also be made to Management's Discussion and Analysis (MD&A) in Tenet's annual and interim reports, Annual Information Form, filed with Canadian securities regulators and available on Tenet's website, for a description of major risk factors relating to Tenet.

Forward-looking statements reflect information as of the date on which they are made. Tenet assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities laws. In the event Tenet does update any forward-looking statement, no inference should be made that Tenet will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

All amounts are in Canadian dollars unless otherwise indicated.



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