

# Xigem Technologies Announces Closing of Funding Agreement to Support its EchoDigital Business Unit

Toronto, Ontario--(Newsfile Corp. - April 30, 2025) - Xigem Technologies Corporation (CSE: XIGM) (FSE: VZ6) ("**Xigem**" or the "**Company**"), is pleased to announce that further to its [press release dated April 1, 2025](#), it has now closed the transaction set out in the [tripartite loan agreement \(the "TLA Facility"\)](#) described in that press release. The TLA Facility provides up to \$500,000 in capital to support the Company's EchoDigital business unit through an arrangement that provides funding to Carnance Inc. ("**Carnance**"). Carnance is a dealer of used cars registered with the Ontario Motor Vehicle Industry Council, and a significant customer of the Company. The parties to the TLA Facility include: the Company, Carnance, and Physiomed Health Inc. (the "**Lender**"). The Lender is an entity controlled by Dr. Scott Wilson, a Director of the Company. The sole purpose of the TLA Facility is to provide Carnance with the further ability to purchase non-commercial passenger cars, light trucks and sport utility/activity vehicles ("**Vehicles**") as inventory for re-sale into the nearly USD18 Billion Canadian used car market, as estimated by Mordor Intelligence (the "**Purpose**"). Pursuant to a [previously disclosed](#) exclusive ten year royalty and service based management agreement, Carnance has been and continues to be obligated to use the Company's EchoDigital asset in all of its sales efforts.

The provisions of the TLA include but are not limited to the following:

- The Lender agreeing to lend funds to the Company, which shall in turn lend such funds to Carnance for the Purpose (as more fully described in the TLA Facility).
- The Lender receiving fees paid by the Company as follows: (i) \$50,000 satisfied through the issuance of common shares in the capital of the Company, priced at \$0.05 per common share and (ii) \$50,000 satisfied through the issuance of common share purchase warrants entitling the Lender to acquire additional common shares in the capital of the Company valued at an aggregate of \$50,000 at an exercise price of \$0.05 per common share, for a 24 month period (collectively, the "**Fee Based Shares**").
- A fee equal to 12.5% of the total value of the loan, paid in cash, in advance, by Carnance.
- The Lender receiving a senior ranking security over all of the assets of the Company.

EchoDigital is the Company's proprietary SaaS-based, AI employing platform which assists in seamlessly capturing and converting used car consumer leads from traditional sources. EchoDigital can then assess and qualify the leads in part to determine their aptitude, and subsequently match them with a used car dealer's most suitable customer sales representative. EchoDigital has been solely responsible for the Company's growth in its most recent three fiscal quarters.

In addition to the funds being made available to Carnance through the TLA Facility, Brian Kalish, the Company's CEO and a Director arranged for and personally guaranteed a line of credit for Carnance from a financial institution (the "**Carnance Line of Credit**") in August 2024. The Carnance Line of Credit, as with the TLA Facility, was arranged with the goal of increasing the vehicle inventory available to Carnance, as it exclusively employs the Company's EchoDigital asset in line with the Purpose described in this press release. Management expects that the combination of funds from the Carnance Line of Credit and the TLA facility may have a positive impact on Carnance's business and then as a result, on that of the Company. The Company has no obligations with respect to the Carnance Line of Credit.

All Fee Based Shares will be subject to a four-month and one-day hold period. No new control person of

the Company will be created pursuant to the TLA transaction. Brian Kalish may be eligible to receive an arrangement fee paid for exclusively by Carnance. All shares issued in connection with the TLA will be issued in accordance with the policies of the Canadian Securities Exchange (the "CSE").

Issuance of the Fee Based Shares constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions* ("MI 61-101"). The Lender is an entity controlled by an insider of the Company who has, as a result of the closing of the TLA Facility, received an aggregate of 1,000,000 common shares of the Company and 1,000,000 common share purchase warrants of the Company, collectively being the Fee Based Shares. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the Fee Based Shares does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

## **About Xigem Technologies Corporation**

With software capable of improving capacity, productivity, and overall operations for businesses, consumers, and organizations Xigem aims to position itself to become a leading technology provider for the near trillion-dollar remote digital economy. iAgent, the Company's patented technology and EchoDigital, its SaaS automotive shopping platform are intended to provide organizations, businesses, and consumers with the tools necessary to thrive in a vast array of digital working, learning, shopping and treatment environments while the Company continually looks to aggregate a portfolio of innovative technologies capable of disrupting traditional business models.

[www.xigemtechnologies.com](http://www.xigemtechnologies.com)

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Source: <https://www.mordorintelligence.com/industry-reports/canada-used-car-market>

## **Further Information**

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

*This news release contains "forward-looking statements" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "appears to be", "likely", "plans", "looks to", "possible", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the closing of the transactions specified in the TLA, including but not limited to the share issuances contemplated by the Company; potential increases by Carnance of its inventory; the future market data for the global automotive industry; the future products and performance of the Company; and the ability of the Company to continue adding innovative technologies to its portfolio.*

*Forward-looking information in this news release is based on certain assumptions and expected future events, namely: the satisfaction of the closing conditions in the TLA and receipt of all necessary approvals in order to complete the transactions contemplated therein; the ability of Carnance to increase its inventory as currently contemplated or at all; customer interest at a level to drive future sales as currently contemplated or at all; the Company's ability to continue as a going concern; the commercial viability and growth in popularity of the Company's applications; the*

*Company's ability to continue to develop and acquire revenue-generating applications; continued approval of the Company's activities by the relevant governmental and/or regulatory authorities; the continued development of the Company's technologies; the Company having sufficient funds to continue operations as planned; growth of the global automobile industry as currently anticipated or at all; the impact of growth of the global automotive industry on the Company's operations; and the continued growth of the Company in general.*

*These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: uncertainty with respect to the future growth of the global automobile industry and/or any other industry group or subset relevant to the Company's operations; uncertainty to predict the Company's ability to compete with other participants in the industries in which it operates; the potential inability of the Company to continue as a going concern; the risks associated with Software-as-a-Service ("SaaS") and technology industries in general; increased competition in the SaaS and technology markets in general; the potential future unviability of the Company's product offerings; risks associated with potential governmental and/or regulatory action with respect to the Company's activities; risks associated with a potential collapse in the value of SaaS services and the SaaS market; risks associated with the Company's ability to generate a profit; the inability of the Company to add innovative technologies to its portfolio; the Company not having adequate resources, financial and otherwise, as required to continue its operations as planned; and risks with respect to market demand for the Company's products. Furthermore, any market data presented in this press release is not indicative of the Company's future performance and in no way should be interpreted as such.*

*Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.*

*Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.*

*Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.*

SOURCE: Xigem Technologies Corporation

On behalf of the Company:  
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