

# Pike Mountain Minerals Inc. and Carebook Technologies Inc. Announce Proposed Reverse Takeover Transaction and Related \$18.3 Million Private Placement Financing

*- Transaction accelerates growth trajectory for Carebook, a leading digital health company -*

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE  
UNITED STATES

Vancouver, British Columbia and Montreal, Quebec, August 7, 2020 – Pike Mountain Minerals Inc. (CSE: PIKE) (“**Pike**” or the “**Company**”), a reporting issuer in the provinces of British Columbia, Alberta and Ontario, and Carebook Technologies Inc. (“**Carebook**”), a leading Canadian digital health company, are pleased to announce that they have entered into a business combination agreement dated August 7, 2020 (the “**Business Combination Agreement**”) pursuant to which the parties have agreed to complete a business combination involving a “three-cornered” amalgamation of Carebook with a wholly-owned subsidiary of Pike (“**Pike Subco**”) that will have the effect of Pike acquiring all of the issued and outstanding common shares (the “**Carebook Common Shares**”) and other securities of Carebook in exchange for securities in Pike, and resulting in the reverse takeover of Pike by Carebook (the “**Transaction**”). A copy of the Business Combination Agreement will be made available on Pike’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

Upon closing of the Transaction, it is anticipated that Pike will change its name to “Carebook Technologies Inc.” (the “**Resulting Issuer**”), or such other name as determined by Carebook.

Pike is currently listed on the Canadian Securities Exchange (the “**CSE**”). However, in connection with the execution of the Business Combination Agreement, Pike's common shares will be delisted from the CSE.

It is a condition to closing of the Transaction that the Resulting Issuer obtain a listing of its common shares (the “**Resulting Issuer Common Shares**”) on the TSX Venture Exchange (the “**TSXV**”). In connection therewith, Carebook expects to file with the TSXV a Listing Application on Form 2B (the “**Listing Application**”) in accordance with the policies of the TSXV. Carebook has reserved “**CRBK**” as a stock symbol for such purposes.

Carebook is also pleased to announce that, concurrent with the execution of the Business Combination Agreement, Carebook has secured private placement financings for aggregate gross proceeds of C\$18,330,000 comprised of (i) the closing on the date hereof of a private placement offering of subscription receipts of the Corporation (the “**Subscription Receipts**”) for aggregate gross proceeds of C\$17,330,000 (the “**Subscription Receipt Private Placement**”), and (ii) the entering into of subscription agreements with certain members of its board of directors and management team who have agreed to acquire Units (as defined below) prior to closing of the Transaction for aggregate gross proceeds of an additional C\$1,000,000 (the “**Management Private Placement**”, and together with the Subscription Receipt Private Placement, the “**Private Placements**”), each as further described below.

Commenting on the proposed Transaction, Dr. Sheldon Elman, Executive Chairman of Carebook, said, “We had understood the transformative nature and potential of digital health for quite some time; However, the COVID-19 pandemic has permanently and meaningfully accelerated the shift towards telehealth.

Carebook's powerful digital health solutions, including virtual care and COVID-19 vital signs screening for pharmacies, insurance providers, governments and businesses, are an important tool in managing the health of individuals."

Pascale Audette, Chief Executive Officer of Carebook, added, "This transaction marks an important step forward in the evolution of Carebook, allowing us to expand our client base, our product offering and our international growth, as well as providing additional growth opportunities for our employees."

### **The Transaction**

The execution of the Business Combination Agreement follows the execution by the parties of a non-binding letter of intent that was previously announced in Pike's news release dated June 26, 2020.

In accordance with the terms of the Business Combination Agreement, the Transaction will be structured as a "three-cornered amalgamation" involving Pike, Pike Subco and Carebook. In connection with closing of the Transaction (the "**Closing**"), it is expected that, among other things:

- Pike will consolidate all of its issued and outstanding common shares (the "**Pike Common Shares**") based on a ratio of approximately one post-consolidation Pike Common Share for every 13.187 pre-consolidation Pike Common Shares (as such consolidation ratio may be adjusted pursuant to the Business Combination Agreement);
- The Carebook Common Shares (excluding Carebook Common Shares underlying the securities that were issued or which are issuable in connection with the Private Placements) will be subdivided on a 1.725-for-one basis;
- Carebook and Pike Subco will be amalgamated under the *Canada Business Corporations Act* (the "**Amalgamation**") and the resulting amalgamated entity ("**Amalco**") will become a wholly-owned subsidiary of Pike;
- Each Carebook Common Share, including the Carebook Common Shares underlying the securities that were issued or which are issuable in connection with the Private Placements, will be cancelled, and the former holders of Carebook Common Shares will receive one Resulting Issuer Common Share for each Carebook Common Share held by them;
- Other securities of Carebook (including certain pre-existing options to purchase Carebook Common Shares and warrants issued or issuable in connection with the Private Placements that are exercisable into Carebook Common Shares as more fully described below) will be cancelled, and the former holders of such securities will receive economically equivalent securities of the Resulting Issuer;
- The Resulting Issuer will have obtained conditional acceptance of the TSXV for the listing on the TSXV of the Resulting Issuer Common Shares, as required by TSXV policies; and
- the Resulting Issuer will be renamed "Carebook Technologies Inc.", or such other name as determined by Carebook.

The Resulting Issuer's business objective will be to continue Carebook's business of providing digital health solutions, virtual care, and COVID-19 vital signs screening for pharmacies, insurance providers, governments, businesses, and individuals.

The final structure for the Transaction is subject to satisfactory tax, corporate and securities law advice on the part of both Pike and Carebook, and approval by the TSXV.

Assuming completion of the Transaction, it is anticipated that the Resulting Issuer will have approximately 31,206,718 Resulting Common Shares issued and outstanding, and:

- Pike shareholders would hold approximately 1,320,000 Resulting Issuer Common Shares (assuming exercise of all currently issued and outstanding Pike stock options and warrants) being approximately 4.2% of the Resulting Issuer Common Shares on a non-fully diluted basis;
- Former Carebook shareholders (excluding the investors in the Private Placements) would hold an aggregate of 22,554,718 Resulting Issuer Common Shares, being approximately 72.3% of the Resulting Issuer Common Shares on a non-fully diluted basis;
- The investors in the Private Placements would hold an aggregate of 7,332,000 Resulting Issuer Common Shares, being approximately 23.5% of the Resulting Issuer Common Shares on a non-fully diluted basis.

### **The Private Placements**

In connection with the Subscription Receipt Private Placement, which was conducted on both a brokered and non-brokered basis, the Corporation issued and sold 6,932,000 subscription receipts of the Corporation ("**Subscription Receipts**") at the price of \$2.50 per Subscription Receipt, for aggregate gross proceeds of \$17,330,000. In connection with the Management Private Placement, the Corporation has entered into subscription agreements with certain members of its board of directors and management team for the completion of a non-brokered private placement of 400,000 Units (as defined below) at a price of C\$2.50 per Unit, for aggregate gross proceeds of \$1,000,000. Closing of the Management Private Placement is conditional upon the satisfaction of the Escrow Release Conditions (as defined below).

The Subscription Receipts were issued pursuant to terms of a subscription receipt agreement (the "**Subscription Receipt Agreement**") dated August 7, 2020 entered into among Carebook, Pike, Canaccord Genuity Corp. ("**Canaccord**") and TSX Trust Company (the "**Subscription Receipt Agent**"). Each Subscription Receipt will, upon the satisfaction of certain escrow release conditions (the "**Escrow Release Conditions**") as set out in the Subscription Receipt Agreement, automatically convert into one unit of the Corporation (a "**Unit**") consisting of one Carebook Common Share and one-half of one Carebook Common Share purchase warrant (each whole warrant, a "**Carebook Warrant**"). Each Carebook Warrant will entitle the holder thereof to acquire one Carebook Common Share at a price of C\$3.125 up to 24 months after the date that the Escrow Release Conditions are satisfied.

Carebook engaged Canaccord Genuity Corp. as sole lead agent to a syndicate of agents, which included Raymond James Ltd., Gravitas Securities Inc., Beacon Securities Limited and Cormark Securities Inc. (collectively, the "**Agents**") to act as its (i) agents in connection with the brokered portion of the Subscription Receipt Private Placement pursuant to an agency agreement dated August 7, 2020 among the Agents, Carebook and Pike; and (ii) advisors in connection with the non-brokered portion of the Subscription Receipt Private Placement pursuant to an advisory agreement dated August 7, 2020 among the Agents, Carebook and Pike. The Agents received compensation that is customary for transactions of this nature.

Upon closing of the Transaction, the Carebook Common Shares will be exchanged for common shares in the capital of the Resulting Issuer, the Carebook Warrants will be exchanged for warrants of the Resulting Issuer on equivalent terms.

It is expected that approximately \$5,330,000 out of the net proceeds raised from the Private Placements will be used to redeem certain shares held by Carebook's existing shareholders. The balance of the net proceeds raised from the Private Placements is expected to be used by the Resulting Issuer (i) to finance ongoing R&D, global sales and marketing efforts and for general corporate purposes and working capital, and (ii) to repay certain indebtedness of the Corporation.

### **Conditions to Completion of the Transaction & Regulatory Matters**

Completion of the proposed Transaction is subject to a number of conditions including, but not limited to, the following:

- The Resulting Issuer shall have obtained a conditional approval letter from the TSXV for the transactions contemplated by the Business Combination Agreement, including the listing on the TSXV of the Resulting Issuer Common Shares;
- Pike shall hold a special meeting of its shareholders (the "**Pike Shareholder Meeting**"), and shall prepare a circular in connection therewith (the "**Pike Circular**") to approve certain matters relating to the Transaction, including the directors identified below to be appointed to the board of the Resulting Issuer upon Closing;
- Pike shall have no liabilities or obligations (contingent or otherwise), inclusive of liabilities relating to the fees and disbursements of its legal counsel and auditors appointed in connection with the Amalgamation;
- Pike shall have cash on hand of not less than \$400,000 (net of expenses relating to the completion of the Transaction incurred by Pike); and
- The satisfaction or waiver of all other conditions set forth in the Business Combination Agreement.

Pike is anticipated to hold the Pike Shareholder Meeting on September 14, 2020, and is in the process preparing the Pike Circular to be sent to the shareholders of Pike in connection therewith. The Pike Circular, which will also be posted under Pike's SEDAR profile at [www.sedar.com](http://www.sedar.com), will contain further information with respect to the matters that will be put before the Pike shareholders at the Pike Shareholder Meeting.

A request will be made to the TSXV for a waiver of the sponsorship requirements of Policy 2.2 - *Sponsorship and Sponsorship Requirements* of the TSXV, but there is no assurance that such waiver will be granted.

Investors are cautioned that, except as will be disclosed in the Pike Circular and as will be disclosed in the Listing Application that will be prepared in connection with the Transaction, any information released or received with respect to the Transaction or the Pike Shareholder Meeting may not be accurate or complete and should not be relied upon. Trading in the securities of Pike (and the Resulting Issuer) should be considered highly speculative. The Listing Application in respect of the Transaction will be filed under Pike's SEDAR profile at [www.sedar.com](http://www.sedar.com).

The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

Upon completion of the Transaction, it is expected that the Resulting Issuer will be listed on the TSXV and meet the public distribution requirements of a Tier 1 issuer in accordance with TSXV requirements.

## **Directors and Officers of the Resulting Issuer**

Concurrent with the completion of the Transaction, it is expected that all directors and officers of Pike will resign and be replaced by Carebook nominees. The directors and executive officers of the Resulting Issuer are expected to be the following:

- Dr. Sheldon Elman, Executive Chairman and Director
- Pascale Audette, Chief Executive Officer
- Jeffrey Kadanoff, Interim Chief Financial Officer
- Josh Blair, Vice Chairman and Director
- Dr. Philippe Couillard, Director
- Anne-Marie Boucher, Director
- Stuart M. Elman, Director

Further information regarding these individuals, including their bios, will be included in the Pike Circular and the Listing Application.

## **About Pike**

Pike was incorporated under the *Business Corporations Act* (British Columbia) on July 11, 2018. Pike is a junior exploration-stage company engaged in the evaluation, acquisition, and exploration of mineral properties with the intention, if warranted, of placing them into production. On September 16, 2019, it completed its initial public offering and the Pike Common Shares began trading on the CSE under the trading symbol "PIKE" shortly thereafter.

## **About Carebook**

Carebook provides powerful digital health solutions, virtual care, and a COVID-19 vital signs scan and screening tool for pharmacies, insurance providers, governments, businesses, and more. Based in Montréal, Carebook's core is science and technology, its philosophy is people-first, and its goal is accessible, connected health for everyone.

### **Pike Media Contact:**

Jeremy Poirier  
Telephone: (604) 722-9842

### **Carebook Media Contact:**

Valérie Lavoie  
Massy Forget Langlois Public Relations  
Telephone: (438) 885-9135

### **Forward-Looking Statements:**

Certain statements included in this press release regarding Pike's and Carebook's current and future plans, expectations and intentions, or any other future events or developments, including the proposed Transaction and other statements that are not historical facts constitute forward-looking statements. Forward-looking statements are typically identified by the use of terminology such as "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these terms or such variations thereon or comparable terminology. Forward-looking statements are based on estimates and assumptions made by Pike's and Carebook's management in light of such management's respective experience and perception of historical trends, current conditions and expected future

developments, as well as factors management believes appropriate. Accordingly, undue reliance should not be placed on such forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the failure to satisfy all conditions precedent or obtain all regulatory approvals for the Transaction, including by the dates indicated; the anticipated costs to complete the Private Placements and Transaction may exceed current expectations; Carebook (and therefore, the Resulting Issuer) may be unable to successfully execute its business strategy such that future growth, results of operations, performance and business prospects and opportunities of Carebook (and therefore, the Resulting Issuer) may not be as currently anticipated; new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; and the on-going COVID-19 pandemic may impact product demand. There are numerous other factors, many of which are out of Pike's and Carebook's control, that could cause Pike's and Carebook's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others, currency fluctuations; limited business history of the parties; disruptions or changes in the credit or security markets or the economy generally; results of operation activities and development of projects; unanticipated costs and expenses; and general market and industry conditions. These factors and fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance. The parties undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of their securities or their respective financial or operating results (as applicable).

Pike and Carebook caution that the foregoing list of material factors is not exhaustive. When relying on these forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The parties have assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of factors is not exhaustive and subject to change. There can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking statements contained in this press release represent Pike's and Carebook's expectations as of the date of this press release and are subject to change after such date. Pike and Carebook have no intention, and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

All amounts referred to herein are in Canadian dollars unless otherwise indicated.

There can be no assurance that the Transaction will be completed as proposed or at all.

*This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. 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 the securities in any state in which such offer, solicitation or sale would be unlawful.*

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