

CoTec Holdings Corp. Announces Second Closing of Subscription Receipt Financing and TSXV Conditional Approval for Change of Business

For Change of Business

VANCOUVER, BC / April 5, 2022 / CoTec Holdings Corp. (TSXV:CTH.H) (the "Corporation") is pleased to announce that it has completed the second and final closing of its previously announced brokered and non-brokered private placement of subscription receipts (the "Private Placement"). The Private Placement is being undertaken in connection with the Corporation's previously announced proposed change of business from mineral exploration to an investment issuer (the "Proposed COB") under the rules of the TSX Venture Exchange ("TSXV").

The Corporation is also pleased to announce that it has received conditional approval for the Proposed COB from the TSXV.

Second Closing of Private Placement

Pursuant to the second closing, the Corporation issued a total of 4,744,195 subscription receipts ("Subscription Receipts") at a price of \$0.55 per Subscription Receipts for gross proceeds of \$2,609,282.14. When combined with the subscription receipts issued pursuant to the first closing that was completed on February 10, 2022, the Corporation issued an aggregate of 11,390,593 subscription receipts pursuant to the Private Placement for gross proceeds of \$6,265,759.14.

As previously announced, in connection with the non-brokered portion of the Private Placement, the Corporation will pay a cash finder's fee to certain brokers whose clients participate in the Private Placement in an amount equal to 5% of the aggregate proceeds raised in the Private Placement from such subscribers. 50% of this fee is payable at the closing of the Private Placement and 50% will be payable upon the exchange of the Subscription Receipts for common shares and warrants of the Corporation in accordance with the terms of the Subscription Receipts. In addition, upon the exchange of the Subscription Receipts, the Corporation will issue to brokers whose clients participate in the Private Placement compensation warrants equivalent to 5% of the number of Subscription Receipts issued to such subscribers. Each compensation warrant will be exercisable for one common share of the Corporation at an exercise price of \$0.55 per share for a period of 36 months from the issuance thereof. Pursuant to the foregoing, at the second closing of the Private Placement, the Corporation paid \$19,283.62 to Canaccord Genuity Corp. in satisfaction of 50% of the cash finder's fee payable to it in respect of the second closing of the Private Placement.

TSXV Conditional Approval

The Corporation has received conditional approval from the TSXV to complete the Proposed COB. In connection with the Proposed COB, the Corporation will file a filing statement (the

"**Filing Statement**") containing additional disclosure regarding the Proposed COB and related matters under its profile on SEDAR at www.sedar.com.

The Proposed COB remains subject to a number of conditions including, without limitation, final approval of the TSX Venture Exchange, approval of the Proposed COB by the holders of a majority of the outstanding common shares of the Corporation held by 'disinterested' shareholders (which the Corporation intends to obtain by way of written consent) and the satisfaction of the conditions to the completion of the Corporation's proposed initial investments.

For further information regarding the Proposed COB, please refer to the Filing Statement and the Corporation's press releases dated December 10, 2021, January 26, 2022, February 10, 2022 and February 28, 2022.

Trading in the common shares of the Corporation was halted on December 10, 2021 and is expected to remain halted until completion of the Proposed COB. Subject to the satisfaction of the remaining conditions, the Corporation expects to complete the Proposed COB and resume trading on the TSXV during the week of April 11, 2022. Upon the resumption of trading, the Corporation will be listed on the TSXV as a Tier 2 investment issuer under the ticker symbol "CTH".

For further information, please contact:

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Forward-Looking Information Cautionary Statement

Statements in this press release regarding the Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, including statements relating to the expectation that the Proposed COB will be completed on the terms described herein or otherwise, as well as management's expectations with respect to the adoption of new technologies across the mineral extraction industry and the benefits to the Corporation which may be implied from such statements. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed COB, any information released or received with respect to the Proposed COB may not be accurate or complete and should not be relied upon.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Proposed COB or proposed transactions and has neither approved nor disapproved the contents of this press release.

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

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SOURCE: CoTec Holdings Corp.