

# POOL SAFE ANNOUNCES PROPOSED AMENDMENTS TO CREDIT AGREEMENT, CONVERTIBLE DEBENTURES AND PROMISSORY NOTE

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TORONTO, ON December 17, 2020 - Pool Safe Inc. ("**Pool Safe**" or the "**Company**") (TSXV: **POOL**) announces that it has entered into agreements (the "**Transaction**") with the holders of certain promissory notes and convertible debentures to amend the terms of the Company's promissory note in the principal amount of \$67,000 (the "**Promissory Note**") and convertible debentures in the aggregate principal amount of \$460,000 (the "**Debentures**"). The Company has also entered into an agreement to amend the terms of a credit agreement with Intrexa Ltd. ("**Intrexa**") for a \$1,000,000 revolving credit facility (the "**Credit Agreement**").

The Promissory Note, issued on November 28, 2019, has a maturity date of one year from the date of issuance and bears an annual interest rate of 10% per annum. The Debentures, issued in February (the "**First Financing**"), May and June 2018 (the "**Second Financing**"), have a maturity date of three years from the date of issuance, and bear interest at an annual rate of 10%. The holders of the Debentures issued in the First Financing and Second Financing have both agreed to the amendments. The Company has extended the maturity date of the Promissory Note and the Debentures to April 30, 2023, reduced the interest rate payable by the Company on the principal amounts of the Debentures and the Promissory Note to 5% per annum, and deferred payment of all accrued interest on the principal amounts of the Debentures and the Promissory Note to September 30, 2021 (collectively, the "**Amendments**").

As consideration for the Amendments, the Company has agreed to pay the holder of the Promissory Note 12% of the outstanding debt and the holders of the Debentures 12% of the principal amount of each Debenture, satisfied by the Company issuing common shares in the capital of the Company at a deemed price of \$0.02 per share for an aggregate of 3,162,000 common shares (the "**Settlement Shares**").

The Company has also entered into an amending agreement with Intrexa pursuant to which the parties have agreed to extend the termination date of the Credit Agreement and the bonus warrants issued in consideration for Intrexa entering into the Credit Agreement by one year, to March 31, 2023.

Certain of the Company's directors and officers are holders of the Debentures, and the Transaction therefore constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Transaction in reliance of sections 5.5 and 5.7 respectively, of MI 61-101, as the fair market value of the consideration to be received by such directors and officers does not exceed 25% of the Company's market capitalization. The material change report is being filed less than 21 days before the closing of the Transaction as the extent of the insider participation only became known recently and the Company wishes to close the overall Transaction in short order for sound business reasons.

The Transaction is scheduled to close on or before December 31, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval and acceptance by the TSX Venture Exchange. The Settlement Shares will be subject to a four month hold period.

### **About Pool Safe Inc.**

Pool Safe Inc. designs, develops and distributes a product known as the "PoolSafe", which functions as a multi-purpose personal poolside attendant. The PoolSafe is designed to provide safety, convenience and peace of mind for hotels, resorts, waterparks and cruise ship guests. Functions include: lockable safe, solar-powered charger for USB compatible electronic devices including phones, cameras and tablets in addition to a server call-button, a beverage cooler and holders. Conveniently located alongside pool or beach lounge chairs, the PoolSafe is a unique way of providing vacationers with a comforting sense of security for their belongings, while they enjoy their vacation. For more information please visit [www.poolsafeinc.com](http://www.poolsafeinc.com).

Pool Safe Inc. is a fully reporting publicly traded company which is listed on the TSX Venture Exchange under the symbol POOL.

*Neither the 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 release.*

### **Cautionary Statements**

*Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.*

### **Pool Safe Inc.**

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