

WELL HEALTH TECHNOLOGIES CORP.

FOR IMMEDIATE RELEASE

August 28, 2018

WELL Health Announces Proposed Acquisition of Thirteen more Private Medical Clinics to Create largest chain of Clinics in BC

- Highly accretive transformational acquisition will more than triple the number of clinics owned and operated by WELL to 19 serving more than 600,000 patient visits per year¹ when combined with WELL's current business on a post transaction basis
- Based on trailing performance and expected synergies, the new clinics are expected to drive close to \$1.2M in EBITDA/year² and more than \$19M in revenues to WELL in the 12 months post-closing. PLEASE NOTE that this is FORWARD-LOOKING INFORMATION. Please see section below on FORWARD-LOOKING INFORMATION AND DISCLAIMERS.
- WELL will have more than 357 health professionals and medical office staff working at all of its facilities on a post transaction basis
- WELL is already fully funded to support this transaction based on its previously announced financing led by Mr. Li Ka-Shing and WELL's own CEO, Hamed Shahbazi which closed May 15, 2018
- Dr. Michael Frankel to be appointed Chief Medical Officer of the Company upon closing

Vancouver, B.C. – WELL Health Technologies Corp. (TSX.V: WELL) (the “**Company** or “**WELL**”), a company focused on consolidating and modernizing clinical and digital assets within the primary healthcare sector, is pleased to announce that it has entered into arm's length share purchase agreements each dated August 27, 2018 (the “**Agreements**”) with Dr. Michael Frankel, M.D. and various other third party physician shareholders (collectively, the “**Vendors**”), in respect of thirteen proposed acquisitions whereby, on the closing thereof, the Company has agreed to acquire all of the issued and outstanding shares of such target companies that own and operate an aggregate of thirteen private healthcare clinics in British Columbia (the “**Transaction**”). In total, post transaction, WELL will own and operate a total of 19 clinics.

“We're very pleased to welcome the dedicated healthcare professionals and office staff of these fine clinics to WELL's operation,” said Hamed Shahbazi. “To our knowledge, this acquisition creates the largest single chain of healthcare clinics in British Columbia and is consistent with our strategy to augment scale in our operations such that we can make the necessary technology investments to better support doctors and patients and improve health outcomes.”

Dr. Michael Frankel who had previously joined WELL as Director of Medical Clinic Operations will be appointed Chief Medical Officer on the closing of the transaction and will help not only ensure the smooth transition of the acquisitions but also oversee medical operations of the entire Company.

“After more than 16 years of operating primary health care clinics in British Columbia, I'm very excited to join forces with the team at WELL Health,” said Dr. Michael Frankel. “I look forward to empowering our doctors and patients with digital technologies that help improve the doctor and patient experience.”

The total consideration payable by WELL in connection with the Transaction is approximately \$6,352,000 consisting of: (i) a payment upon closing of the Transaction of \$4,959,000 consisting of \$4,222,000 in cash and 1,638,627 common shares of the Company at a deemed price of \$0.45 per share (the cash portion of which is subject to a 7.5% holdback to be released after 3 months), and (ii) a time-based earn-out of \$1,393,000 payable quarterly over 3 years consisting of \$1,161,000 cash and \$231,369 issuable in common shares of the Company priced in the context of the market and subject to a floor of \$0.45 per share.

In addition to customary closing conditions, the Agreements provide that the closing of the Transaction is subject to the following conditions: (i) the parties shall have obtained all consents and approvals for the Transaction; (ii) Dr. Michael Frankel shall have entered into an employment agreement with the Company as Chief Medical Officer of the Company; and (iii) the TSXV shall have approved the Transaction.

The Transaction is expected to constitute a fundamental acquisition in accordance with Policy 5.3 of the TSX Venture Exchange (the “**TSXV**”). All shares issued in the transaction will be subject to a restricted period of four months and one day. There are no finder’s fees payable in connection with the Transaction.

Footnotes:

- 1- Number of patient visits is based on actual results of the target company in the past 12 months.
- 2- Based on EBITDA contribution from existing clinics and planned synergies and other changes to number of professional health staff. PLEASE NOTE THAT THIS SECTION REFLECTS FORWARD LOOKING INFORMATION. PLEASE REFER TO SECTION BELOW ON FORWARD-LOOKING INFORMATION AND DISCLAIMERS.

WELL HEALTH TECHNOLOGIES CORP.

Per: “Hamed Shahbazi”
Hamed Shahbazi
Chief Executive Officer, Chairman and Director

For further information:

WELL Health Technologies Corp.

Hamed Shahbazi
Chief Executive Officer, Chairman and
Director
Tel. (604) 628-7266
hamed@WELL.company
www.WELL.company

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 release.

FORWARD-LOOKING INFORMATION AND DISCLAIMERS

This news release contains certain forward-looking statements and information (collectively, “forward looking statements”) within the meaning of applicable Canadian securities laws, including, without limitation, the closing of the Transaction; the Company will obtain all consents and TSXV approval in order to close; that the Transaction will triple the number of clinics owned by the Company and result in serving more than 600,000 patient visits per year;

the expectations that the Transaction may increase EBITDA by \$1.2M and increase revenues by \$19M in the 12 months post-transaction; the anticipated health professionals and patient visit per year post-closing; the appointment of Dr. Michael Frankel M.D. as Chief Medical Officer on the closing date; the anticipated accretive nature of the Transaction, including expected synergies thereof; and the amount and nature of the final consideration. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Although WELL believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties that may cause actual results or events to differ materially from those anticipated and no assurance can be given that these expectations will be realized, and undue reliance should not be placed on such statements.

Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Transaction, including: that WELL’s assumptions in making forward-looking statements may prove to be incorrect; adverse market conditions; risks inherent in the primary healthcare sector in general; the inability of WELL to complete the Transaction and related transactions at all or on the terms announced; the TSXV not approving the Transaction; risks relating to the satisfaction of the conditions to closing the Transaction; that future results may vary from historical results; and that market competition may affect the outcome of the Transaction and the business, results and financial condition of WELL following the closing of the Transaction.

Certain material factors or assumptions are applied in making the forward-looking statements, including, without limitation, the assumption that future results, including without limitation, sales and financial results, will be similar to past results; the expectation related to future general economic and market conditions; the assumption that no adverse material changes will occur in the business to be acquired or the markets in general; the assumption that any applicable regulatory approvals will be obtained; and the assumption that the timing of events will occur as anticipated. Forward-looking statements and information are based on the beliefs, assumptions and expectations of WELL’s management on the date of this news release, and WELL does not assume any obligation to update any forward-looking statement or information should those beliefs, assumptions or expectations, or other circumstances change, except as required by securities law.

This news release contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about WELL’s prospective results of operations, including revenue and EBITDA, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this news release was made as of the date of this news release and was provided for the purpose of providing further information about WELL’s future business operations assuming the closing of the transactions as currently negotiated. WELL disclaims any intention or obligation to update or revise any FOFI contained in this news release, whether as a result of new information, future events or otherwise, except as required by securities law. Investors are cautioned that the FOFI contained in this news release should not be used for purposes other than for which it is disclosed herein.

Non-GAAP Financial Measures

This news release contains non-generally accepted accounting principles (“GAAP”) financial measures. The non-GAAP financial measures in this news release include EBITDA, or earnings before interest, taxes, depreciation and amortization. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. WELL utilizes both GAAP and non-GAAP financial measures to assess what it believes to be its core operating performance and to evaluate and manage its internal business and assist in making financial operating decisions. WELL believes that the inclusion of non-GAAP financial measures, together with GAAP measures, provides investors with an alternative presentation useful to investors’ understanding of WELL’s core operating results and trends.

EBITDA

Management believes that EBITDA, or earnings before interest, taxes, depreciation and amortization, is a common measure used to assess profitability before the impact of different financing methods, income taxes, depreciation and impairment of capital assets and amortization of intangible assets. Estimation of revenues and EBITDA associated with the Company after the closing of the Transaction are estimates based on previous performance and have been used for illustrative purposes only.