

NEWS RELEASE

**DANAVATION ANNOUNCES CLOSING OF SECOND TRANCHE OF PRIVATE PLACEMENT OF UNITS  
AND CONVERSION OF PROMISSORY NOTE**

Toronto, Ontario, August 26, 2022 – **Danavation Technologies Corp. (CSE:DVN, OTCQB: DVNCF)** ("**Danavation**" or the "**Company**"), a Canadian-based Internet of Things ("**IoT**") technology company and provider of micro e-paper displays, is pleased to announce that it has closed the second tranche of its previously announced non-brokered private placement through the issuance of 3,120,000 units (each, a "**Unit**") at a price of \$0.25 per Unit for aggregate gross proceeds of \$780,000 (the "**Offering**"). Each Unit is comprised of one common share in the capital of the Company (each, a "**Common Share**") and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one Common Share at an exercise price of \$0.35 per Common Share for twenty-four (24) months from the closing of the second tranche of the Offering.

In connection with the second tranche of the Offering, the Company paid a certain eligible person a cash commission of \$25,500.

In addition, the Company announces that further to its press release of December 20, 2021, the holder of a convertible promissory note in the principal amount of \$750,000 (the "**Note**") has converted the full amount of the Note into Units in accordance with the terms of the Note, and accordingly the Company has issued 3,000,000 Common Shares and 1,500,000 Warrants to the holder (the "**Conversion**").

Pursuant to the Conversion, Terence Sean Harvey acquired 3,000,000 Common Shares and 1,500,000 Warrants of the Company. Prior to the completion of the Conversion, Mr. Harvey owns or controls, directly or indirectly, 5,234,500 Common Shares, the Note and \$2,000,000 of 8% unsecured convertible debentures of the Company (the "**Debentures**"). Upon completion of the Conversion, Mr. Harvey owns or controls, directly or indirectly, 8,234,500 Common Shares of the Company, 1,500,000 Warrants and the Debentures, representing approximately 7.46% of the Company's issued and outstanding Common Shares on a non-diluted basis and approximately 12.19% of the Company's issued and outstanding Common Shares on a partially basis, assuming exercise of the Warrants and conversion of the Debentures. Depending on market and other conditions, or as future circumstances may dictate, Mr. Harvey may from time to time increase or decrease his holdings of Common Shares or other securities of the Company. A copy of the early warning report will be available on the Company's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com) and may also be obtained by contacting Mr. Harvey at (416) 435-0570. The Company is located at 109 Woodbine Downs Blvd., Unit 1, Toronto, Ontario M9W 6Y1. Mr. Harvey is located at 16-1532 Mortimers Point Road, Port Carling, Ontario P0B 1J0.

All securities issued pursuant to the Offering and Conversion are subject to a four month hold period from the date of issuance. Proceeds from the Offering will be used by the Company for working capital and for other general and administrative costs. The Company may close additional tranches of the Offering subject to all required regulatory approvals.

The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended (the "**Act**"), and may not be offered or sold in the United States unless registered under the Act or unless an exemption from registration is available.

## About Danavation

Danavation Technologies Corp. is a Canadian-based, Internet of Things (IoT) technology company, providing micro e-paper displays to organizations across North America. The Company's Digital Smart Labels™, powered by IoT automation technology and software Platform-as-a-Service (PaaS), enables companies across various sectors to automate labelling, price, product, and promotions in real-time, enhancing data accuracy and improving performance by removing high labour costs and low productivity associated with traditional labour-intensive workflows. By empowering the adoption of smart retail, smart cities and industry 4.0, our goal is to create a sustainable and profitable business for shareholders while advancing sound environmental, social and governance practices, including by significantly reducing paper usage. Danavation has introduced its solution to retailers across North America, including big box and boutique grocers, while also targeting new markets including healthcare providers, manufacturing, and logistics companies. Learn more about the background of Danavation and our vision for the future on our [website](#). As well, follow us on [LinkedIn](#), [Instagram](#), [Twitter](#) and [YouTube](#) for more updates on how we are transforming the retail landscape.

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### Forward-Looking Information

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, this news release contains forward-looking statements and information relating to, the closing of the Offering, and potential and other matters. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.*

*Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and*

*uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.*

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