Quantum eMotion Closes Brokered LIFE Financing of C$10,000,000

written by Raj Shah | February 24, 2025

February 24, 2025 (Source) – Quantum eMotion Corp. (TSXV: QNC) (OTCQB: QNCCF) (FSE: 34Q0) ("**QeM**" or the "**Corporation**") is pleased to announce that it has closed its previously announced best efforts brokered private placement for total gross proceeds of C$10,000,000 (the "**Offering**"), consisting of the issuance of 13,333,333 units of the Corporation (each "**Unit**") at a price of C$0.75 per Unit (the "**Offering Price**"), pursuant to the listed issuer financing exemption (the "**LIFE Exemption**") under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**"). A.G.P. Canada Investments ULC (the "**Agent**") acted as sole bookrunner for the Offering and A.G.P./Alliance Global Partners acted as the sole U.S. agent to the Corporation in connection with the Offering.

Each Unit consists of (i) one common share in the capital of the Corporation (a "**Share**"), and (ii) one common share purchase warrant (a "**Warrant**"). Each Warrant entitles its holder to acquire one additional common share (a "**Warrant Share**") of the Corporation at a price of C$1.10 for a period of 3 years from the date of issuance.

The Corporation intends to use the net proceeds raised from the Offering to accelerate the pace of its research and development ("**R&D**") efforts, expand the R&D team, hire staff for the commercialization initiatives underway and for general working capital needs.

Subject to compliance with applicable regulatory requirements

and in accordance with NI 45-106, the securities issued pursuant to the LIFE Exemption are expected to be immediately freely tradeable and will not be subject to a hold period under applicable Canadian securities laws.

There is an offering document related to the Offering that can be accessed under the Corporation's profile at www.sedarplus.ca and on the Corporation website at https://www.quantumemotion.com/.

As consideration for their services, the Agent has received an aggregate cash fee equal to 6.5% of the gross proceeds of the Offering. In addition, the Corporation issued to the Agent non-transferable warrants (the "**Agent Warrants**") representing 5.0% of the aggregate number of Units issued pursuant to the Offering. Each Agent Warrant entitles its holder to purchase one common share of the Corporation at price of C$0.88 for a 30-month period from the date of issuance.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration requirements is available.

About QeM

The Corporation's mission is to address the growing demand for affordable hardware and software security for connected devices. QeM has become a pioneering force in classical and quantum cybersecurity solutions thanks to its patented Quantum Random

Number Generator, a security solution that exploits the built-in unpredictability of quantum mechanics and promises to provide enhanced protection for high-value assets and critical systems.

The Corporation intends to target highly valued Financial Services, Healthcare, Blockchain Applications, Cloud-Based IT Security Infrastructure, Classified Government Networks and Communication Systems, Secure Device Keying (IOT, Automotive, Consumer Electronics) and Quantum Cryptography.

For further information, please visit our website at https://www.quantumemotion.com/ or contact us at: info@quantumemotion.com

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Cautionary Note regarding Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws, which is based upon the Corporation’s current internal expectations, estimates, projections, assumptions and beliefs. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning the Corporation’s expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering, and the completion of the Corporation’s business objectives, and the timing, costs, and benefits thereof. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Corporation. Such forward-looking statements and forward-looking information often, but not always, can be

identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation, risks and uncertainties relating risks inherent to the cybersecurity industry, the value of the Corporation’s intangible assets, completing proof of concept studies, protecting intangible assets rights, timing and availability of external financing on acceptable terms or at all, the possibility that future results will not be consistent with the Corporation’s expectations, increases in costs, changes in legislation and regulation, changes in economic and political conditions and other risks involved in the cybersecurity industry and inherent to new technologies, such as risk of obsolescence, slow adoption and competing technological advances; and those risks set out in the Corporation’s public documents filed on SEDAR+ at www.sedarplus.ca.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or forward-looking information. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on the Corporation and the risks and challenges of its business, investors should

review the Corporation’s annual filings that are available at www.sedarplus.ca. The Corporation provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Corporation disclaims any intent or obligation to update any forward-looking information.

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.

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