

WELL Health to Acquire Majority Stake in SleepWorks Medical Inc.

- SleepWorks Medical is a leader in providing services for patients who suffer from sleep disorders. Since inception, SleepWorks has provided diagnostic services to over 10,000 patients.
- This transaction is immediately accretive to WELL Health. In the past 12 months, SleepWorks generated more than \$1.7M in revenues with EBITDA¹ margins exceeding 25%.
- SleepWorks has been a strategic partner and service provider to WELL physicians for 6 years and is already a trusted vendor to WELL's ecosystem.

Vancouver, B.C. July 18, 2019. 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 it has entered into a definitive share purchase agreement dated July 18, 2019 (the "**Agreement**") with the shareholders of SleepWorks Medical Inc. ("**SleepWorks**"), a private Canadian corporation, pursuant to which WELL has agreed to acquire 51% of the issued and outstanding shares of SleepWorks (the "**Transaction**"). The remaining 49% of the issued and outstanding shares of SleepWorks will be retained by the former principal shareholders of SleepWorks (the "**Vendors**"), who will continue to operate the company on a post-closing basis.

"We're thrilled to welcome Larry Bloom, co-founder of SleepWorks, and the rest of the SleepWorks team to the WELL family," said Hamed Shahbazi, Chairman and CEO of WELL. "SleepWorks has been a valued partner to WELL clinics for 6 years and has earned the trust of many of our physicians for their top-notch service."

Under the terms of the Agreement, the total consideration payable by WELL in connection with the Transaction is \$1,134,000, which will be allocated as follows: (i) a cash payment in the amount of \$524,475, (ii) \$170,100 paid by the issuance of common shares in the capital of WELL at a deemed price per share of \$1.57, being equal to the prior 10-day average trading price of WELL's common shares immediately prior to the public

announcement of the Transaction, subject to the policies of the TSX Venture Exchange (the "**TSXV**"); (iii) \$42,525 deposited by WELL and the Vendors into escrow upon closing in accordance with the provisions of an escrow agreement; and (iv) \$396,900 payable by WELL to the Vendors in cash or common shares of WELL at the discretion of WELL during a time based earn-out period of 3 years. WELL shall have the right to acquire the remaining shares it doesn't acquire as part of the Transaction pursuant to a call option.

SleepWorks is engaged in the business of providing services in connection with the diagnosis and treatment of sleep disorders and the sale of equipment related to sleep disorders. In the past 12 months, SleepWorks has generated more than \$1.7M in revenues with EBITDA¹ margins exceeding 25%. SleepWorks currently provides services in 22 clinical locations throughout the Greater Vancouver region, including all 19 of WELL Health's clinics.

"WELL Health has been a great partner for us in the past and we expect to work even closer together in the future", said Larry Bloom, co-founder of SleepWorks. "We are delighted to join the WELL team and look forward to continuing to provide sleep related services to WELL's growing number of patients".

Closing of the Transaction is subject to a number of conditions, including receipt of any necessary corporate and regulatory approvals, including the TSXV. All shares to be issued in the Transaction will be issued pursuant to an exemption from applicable securities laws and as such shall be subject to a restricted period of four months and one day. There are no finder's fees payable in connection with the Transaction. The Company anticipates that the Transaction will constitute an Expedited Transaction in accordance with the policies of the TSXV.

1. Unaudited EBITDA is Non-GAAP measure. Earnings before interest, taxes, depreciation and amortization ("EBITDA") should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that EBITDA is a meaningful financial metric as it measures cash generated from operations which the

Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.

WELL HEALTH TECHNOLOGIES CORP.

Per: "Hamed Shahbazi"

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About WELL

WELL is a unique company that operates Primary Healthcare Facilities as well as a significant EMR or Electronic Medical Records business that supports the digitization of such clinics. WELL's overarching objective is to empower doctors to provide the best and most advanced care possible leveraging the latest trends in digital health. In the last 12 months, WELL physicians served approximately 600,000 patient visits through its network of 19 medical clinics. WELL is publicly traded on the TSX Venture Exchange under the symbol WELL.V. WELL was recognized as a TSX Venture 50 Company in 2018 and 2019.

Forward-Looking Statements

This news release may contain "forward-looking statements" within the meaning of applicable Canadian securities laws, including, without limitation: the closing of the Transaction; the Company obtaining all consents and TSXV approval in order to close; and the expectation of SleepWorks being immediately accretive to WELL. Forward-looking statements are necessarily based upon a number of estimates and assumptions

that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties, and contingencies. 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. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause future results, performance or achievements to be materially different from the estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. WELL's statements expressed or implied by these forward-looking statements are subject to a number of risks, uncertainties, and conditions, many of which are outside of WELL 's control, and undue reliance should not be placed on such statements. Forward-looking 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. Except as required by securities law, WELL does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise.

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