

December 6, 2017



Intellinetics Completes Convertible Debt Financing and Retires Senior Debt at a Discount

COLUMBUS, OH, Dec. 06, 2017 (GLOBE NEWSWIRE) -- Intellinetics, Inc. ([OTCQB: INLX](#)), a cloud-based content services provider, announced it has closed the final tranche of a convertible promissory notes financing and raised a total of \$2,000,000 of new money.

As part of this financing, the senior secured debt with the Development Services Agency of the State of Ohio ("Development Authority") was retired on November 17, 2017, with a cash payment of \$525,000. As agreed with the Development Authority, this cash payment satisfied in full the obligations under the existing loans, which totaled \$943,216, including aggregate outstanding principal, interest, and accrued fees.

Additionally, the funds raised from the offering will be used for operations and investments in a revamped marketing strategy, with the foundations already laid following the September 2017 start of Intellinetics' new CEO.

James F. DeSocio, President & CEO of Intellinetics, stated, "It's great that we reached an agreement with the Development Authority to satisfy their loans. I am even more pleased to see the investor community strongly support our new marketing initiatives and strategies to grow both our direct and reseller channels. The financing will enable us to ensure the right programs and resources are deployed to sustainably grow our cloud revenue, with us able to control our own destiny more than ever before."

Taglich Brothers, Inc. served as placement agent for the transaction.

The securities being sold in the private placement have not been registered under the Securities Act of 1933, as amended, or state securities laws and may not be offered or sold in the United States absent registration with the Securities and Exchange Commission (SEC) or an applicable exemption from such registration requirements. Intellinetics has agreed to file a registration statement with the SEC covering the resale of the shares of common stock issuable upon conversion of the notes issued in the private placement.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

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[IntelliCloud™](#) is a cloud-based content services platform that is optimized for work teams within organizations of any size with business-critical document processes. Thousands and thousands of people at any given moment depend upon IntelliCloud to perform their work.

IntelliCloud, which is strategically packaged with Intel® technology, provides Law Enforcement Grade security and compliance tools and is supported by a growing network of market-leading reseller partners. Resellers often attach IntelliCloud to the software, hardware, and/or services they already sell, without the sales or technical complexity of other less effective options in the market.

About Intellinetics, Inc.

Intellinetics' IntelliCloud platform provides easy-to-use, affordable, secure document management to organizations that have critical document requirements and must always be audit-ready, including health and human services, education and law enforcement. Our customers save valuable time by immediately locating any form, file, record or document, and our superhuman customer service ensures users can remain focused on their mission. For additional information, please visit: www.intellinetics.com.

Cautionary Statement

Statements in this press release which are not purely historical, including statements regarding future business and new revenues associated with any channel partner, distribution partner, reseller, or other relationship; Intellinetics' future revenues and growth; market penetration; execution of Intellinetics' business and marketing plan; use of proceeds of the financing; and other intentions, beliefs, expectations, representations, projections, plans or strategies regarding future growth, financial results, and other future events are forward-looking statements. The forward-looking statements involve risks and uncertainties including, but not limited to, the risks associated with the effect of changing economic conditions, trends in the products markets, variations in Intellinetics' cash flow or adequacy of capital resources, market acceptance risks, the success of Intellinetics' channel partners and distribution partners, technical development risks, and other risks and uncertainties discussed in Intellinetics' most recent annual report on Form 10-K and subsequently filed Form 10-Qs and Form 8-Ks. Intellinetics cautions investors not to place undue reliance on the forward-looking statements contained in this press release. Intellinetics disclaims any obligation and does not undertake to update or revise any forward-looking statements in this press release. Expanded and historical information is made available to the public by Intellinetics on its website at www.intellinetics.com or at www.sec.gov.

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