November 18, 2016

SDI Announces Update on Financing and Second Payment for Consulting Services

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FITCHBURG, Mass.--(BUSINESS WIRE)-- (TSX-V: SDZ) (OTCBB: SDEV) Security Devices International Inc. (“SDI” or the “Company”) reports that it has agreed to the second share issuance to Northeast Industrial Partners LLC (“NEIP”) under the consulting agreement announced on June 20, 2016.

SDI has agreed to issue NEIP 589,414 common shares at a deemed price of $0.1142 per share to satisfy the payment of USD $50,000 due on November 15, 2016. The issuance of these shares is conditional on SDI obtaining disinterested shareholder approval of the consulting agreement at the annual meeting of shareholders scheduled for December 15, 2016. The shares will be subject to a four-month hold period calculated from the date on which the shares are issued.

The Company also wishes to update the market concerning the issuance of up to USD $1,500,000 of senior secured convertible debentures announced on October 18, 2016. The Company expects to close this financing in the first week of December 2016.

The Company also expects that the exchange of the Company’s outstanding unsecured convertible debentures for subordinate secured convertible debentures, detailed in the October 18, 2016 press release, will occur immediately prior to the issuance of the senior secured convertible debentures.

FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute forward-looking statements. These statements relate to future events or SDI’s future performance and include the expected closing date of the senior secured convertible debentures. All such statements involve substantial known and unknown risks, uncertainties and other factors which may cause the actual results to vary from those expressed or implied by such forward-looking statements. The Company has not received signed subscription agreements for the senior secured convertible debentures or the subordinate secured convertible debentures and the Company requires stock exchange approval to proceed with the closing. Forward-looking statements involve significant risks and uncertainties, they should not be read as guarantees of future performance or results, and they will not necessarily be accurate indications of whether or not such results will be achieved. Actual results could differ materially from those anticipated due to a number of factors and risks. Although the forward-looking statements contained in this news release are based upon what management of SDI believes are reasonable assumptions on the date of this news release, SDI cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained in this press release are made as of the date hereof and SDI disclaims

any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

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Source: Security Devices International Inc.