

D-Wave Locks in \$20M Funding, Completes Prototype of Next-Gen Quantum Processor

Additional capital will support delivery of real-world quantum computing applications

BURNABY, BC -- (February 22, 2018) - D-Wave Systems Inc., the leader in quantum computing systems and software, today announced that it has met the key conditions to lock in new funding of \$20 million. In April 2017, D-Wave closed on the first \$30 million tranche of convertible notes and received a conditional commitment from Public Sector Pension Investment Board (PSP Investments) for an additional \$20 million. D-Wave has now satisfied all the key conditions to lock in the second tranche, which include fabrication and testing of a working prototype processor, and the installation of a D-Wave 2000Q system for a customer. The prototype processor uses an advanced new architecture that will be the basis for D-Wave's next-generation quantum processor. The D-Wave 2000Q system, the fourth generation of commercial products delivered by D-Wave, was installed at the Quantum Artificial Intelligence Lab run by Google, NASA, and Universities Space Research Association.

"The D-Wave 2000Q system is by far the most advanced quantum computer available today, and the only commercially available quantum device, on which customers can develop practical applications. The next generation processor will extend D-Wave's considerable leadership in the development and manufacturing of quantum computing systems. The new prototype demonstrates our new architecture, with more densely-connected qubits that can represent more complex problems more efficiently. The design and fabrication of this prototype represent major advances in our capability to build the world's most complex superconducting circuits, and we did it ahead of schedule," said D-Wave CEO Vern Brownell. "We will use this funding to continue to deliver systems and software that provide real-world quantum computing today, and to push our technology forward."

The achievement of this working prototype marks a critical breakthrough in the development of commercial quantum processors. D-Wave demonstrated functionality of all devices in the processor, providing key validation for all new features of the architecture including control circuitry, performance of the new qubit connectivity, and qubit properties. These results depended on significant advances in processor fabrication, none of which have ever before been available in superconductor fabrication at production scale.

The new capital will bring D-Wave's total funding to approximately USD220 million. The new capital will enable D-Wave to bring its next-generation quantum computing system to market.

About D-Wave Systems Inc.

D-Wave is the leader in the development and delivery of quantum computing systems and software, and the world's only commercial supplier of quantum computers. Our mission is to unlock the power of quantum computing for the world. We believe that quantum computing will enable solutions to the most challenging national defense, scientific, technical, and commercial problems. D-Wave's systems are being used by some of the world's most advanced organizations, including Lockheed Martin, Google, NASA Ames, USRA, USC, Los Alamos National Laboratory, Oak Ridge National Laboratory, and Temporal Defense Systems. With headquarters near Vancouver, Canada, D-Wave's U.S. operations are based in Palo Alto, CA and Hanover, MD. D-Wave has a blue-chip investor base including the Public Sector Pension Investment Board (PSP Investments), Goldman Sachs, DFJ, Bezos Expeditions, In-Q-Tel, BDC Capital, Growthworks, 180 Degree Capital Corp., International Investment and Underwriting, and Kensington Partners Limited. For more information, visit: www.dwavesys.com.