Deepspatial Closes Final Tranche of Private Placement for Gross Total Proceeds of $1.038 Million and Announces Conversion of Debentures

TORONTO - Deepspatial (CSE: DSAI) (OTCQB: DSAIF) (“Deepspatial” or the “Company”), an outcome-based artificial intelligence company, enabling organizations to enhance their decision-making capabilities by leveraging the power of data and AI, announces it has closed the final tranche of its previously announced private placement, bringing the total to $1,038,000. As part of the final tranche the Company issued 3,060,000 units (the "Units") at a price of $0.05 per unit to investors for gross proceeds of $153,000. Each Unit consists of one common share of the Company and one common share purchase warrant (a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of $0.10 per share. If, following four months and a day after the closing date, the volume weighted average price of the common shares on the CSE is equal to or greater than $0.20 for any 10 consecutive trading days, the Company may, upon providing written notice to the holders of Warrants, accelerate the expiry date of the Warrants to the date that is 30 days following the date of such written notice.

In connection with the second and third tranche closings of the private placement, the Company has paid finders fee totaling $29,300 which was settled by the issuance of Units resulting in the issuance of an additional 586,000 Units.

Net proceeds will be used for general operations (working capital) including business development and technology upgrades. All securities issued in connection with the private placement are subject to a statutory hold period expiring four months and one day from the date of issuance of the securities.

The Company is also pleased to announce that the majority of the debentureholders that participated in the Company's convertible debenture financing which was completed in October 2022 and March 2023 for total proceeds of $675,250 have elected to convert the debenture to units at a conversion price of $0.15 per unit, with each unit comprised of one common share and one-half of one warrant, with each whole warrant exercisable into a common share at an exercise price of $0.30 per share. The holders of principal amount $482,000 of convertible debentures have completed the conversion into units.

About Deepspatial Inc.

Deepspatial is an outcome based artificial intelligence company, enabling organizations to enhance their decision-making capabilities by leveraging the power of data and AI. From finding the most efficient supply chain routes to knowing where to develop next, Deepspatial's AI-driven platform enables its clients to visualize what's going on, predict what's coming, analyze data, and optimize processes to make smarter decisions for a better future. For more information, visit www.Deepspatial.ai and follow us on Twitter, Instagram or LinkedIn.

Caution regarding Forward Looking Information:

THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED NOR DOES IT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release may contain forward-looking statements and information based on current expectations. These statements should not be read as guarantees of future performance or results of the Company. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. We assume no responsibility to update or revise them to reflect new events or circumstances. The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulations under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful. Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein, such as, but not limited to dependence on obtaining regulatory approvals; the ability to obtain intellectual property rights related to its technology; limited operating history; general business, economic, competitive, political, regulatory and social uncertainties, and in particular, uncertainties related to COVID-19;risks related to factors beyond the control of the company, including risks related to COVID-19; risks related to the Company's shares, including price volatility due to events that may or may not be within such party's control; reliance on management; and the emergency of additional competitors in the industry.

All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except required by law.

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