

Aquarius AI Announces Closing of First Tranche of Private Placement

Vancouver, British Columbia--(Newsfile Corp. - March 16, 2021) - **Aquarius AI Inc. (TSXV: AQUA) (FSE: 4G5) ("AQUA", or the "Company")** is pleased to announce that it has closed the first tranche of its non-brokered private placement (the "**Private Placement**"), which was initially announced on March 2, 2021, whereby the Company has completed the issuance of an aggregate of 21,541,983 units (each, a "**Unit**"), at a price of \$0.12 per Unit to raise gross proceeds of \$2,585,037.96.

Each Unit consists of one common share of the Company and one common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder, on exercise thereof, to purchase one additional common share of the Company at a price of \$0.25 per share for a period of 24 months from the completion of the Private Placement.

Under the Private Placement, the Company also paid finders' fees to eligible finders. In consideration for introducing certain subscribers to the Private Placement, the Company issued 393,526 finder's warrants ("**Finder's Warrants**") and paid cash finders' fees totalling \$47,103.20 to certain finders. Each Finder's Warrant will entitle the holder, on exercise thereof, to purchase one common share of the Company at a price of \$0.25 per share for a period of 24 months from the completion of the Private Placement.

All securities issued in connection with the Private Placement will be subject to a four-month and one day hold period from their date of issue under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada. The private placement is subject to all necessary regulatory approvals including final acceptance from the TSX Venture Exchange.

A certain insider of the Company acquired 1,250,000 Units pursuant to the Private Placement. The issuance of Units to insiders is considered to be a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("**MI 61-101**"). The Company has relied on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 (and Policy 5.9) contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of any Insider participation.

The Company did not file a material change report more than 21 days before the expected closing of the Private Placement as the details of the Private Placement and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons and in a timeframe consistent with usual market practices for transactions of this nature.

The Company intends to use the proceeds from the Private Placement for general working capital purposes.

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

Forward-Looking Statements:

Cautionary Note Regarding Forward-Looking Statements: This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". This information and these statements, referred to herein as "forward-looking statements", are not historical facts, are made as of the date of this news release and include without limitation, statements regarding the use of proceeds of the Private Placement.

These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things, recent market volatility; and the state of the financial markets for the Company's securities.

In making the forward looking statements in this news release, the Company has applied several material assumptions, including without limitation, that the Company will use the proceeds of the Private Placement as stated.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial out-look that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.

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