



Nextech AR Announces Updated Proposal To Spin Out Real-World Augmented Reality Spatial Mapping Platform *ARitize Maps*

- *Increases Number of Dividend Shares to Nextech Shareholders by 100% to 3,200,000 Common Shares*
 - *Nextech Direct Ownership of Shares to Increase*
- *Now Pursuing Direct Canadian Securities Exchange (CSE) Listing*

TORONTO, ON, Canada – JULY 5, 2022 - [Nextech AR Solutions Corp.](#) (“Nextech” or the “Company”) (OTCQB: NEXCF) (CSE: NTAR) (FSE: N29) announces today that after further consideration, it has determined to pursue a direct spinout of its ARitize Maps platform through a wholly-owned subsidiary of the Company (“Subco”). The transaction is currently anticipated to proceed by way of plan of arrangement (the “Arrangement”) pursuant to which the ARitize Maps platform and associated assets will be spun out into a new Subco, but will be subject to final tax and legal structuring considerations.

The Arrangement, if completed, is anticipated to result in, among other things, (i) Nextech retaining approximately 65% of the issued and outstanding shares of Subco (“Subco Shares”) upon completion of the transaction, (ii) approximately 20% of the Subco Shares being distributed to Nextech shareholders on a pro rata basis, as a dividend or return of capital; and (iii) approximately 15% of the Subco Shares being distributed to certain service providers of Nextech in consideration of past services, as calculated prior to completion of the private placement in ARitize maps (as further detailed below) following which the above percentages will be adjusted on a pro-rata basis. In connection with the Arrangement, Nextech intends to seek a direct listing of the Subco Shares on the Canadian Securities Exchange (“CSE”).



Evan Gappelberg, CEO of Nextech AR commented, “These positive changes to our spin-out structure are expected to result in less dilution to Nextech and allow our shareholders to receive a larger number of dividend shares of the spun-out entity. As previously announced, under the PC1 transaction, we anticipated a minimum of 1,600,000 dividend shares, now however with a direct listing on the CSE we anticipate being able to distribute 3,200,000 shares of the spun-out entity to Nextech shareholders as a dividend or return of capital on a pro-rata basis.” He continues “This ARitize Maps spin-out and the possibility of additional future spin-outs are intended to unlock the value of the technology that we have been incubating and building inside Nextech for the last 3 years. I believe that these highly focused spin-out companies will garner more investors attention and will increase Nextech’s shareholder value”

Private Placement

In connection with the Arrangement, Subco shall complete a private placement of a minimum of 6,000,000 subscription receipts (“Subscription Receipts”) at a price of C\$0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of C\$1,500,000 (the “Private Placement”). Each Subscription Receipt will automatically convert upon the satisfaction or waiver of all conditions precedent to the Arrangement and certain other ancillary conditions (the “Release Conditions”) into units (“Units”) at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit ultimately being comprised of one (1) Subco Share and one share purchase warrant (each such share purchase warrant, a “Warrant”), with each Warrant being exercisable to acquire one (1) additional Subco Share at an exercise price of C\$0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to Subco. Alternatively, each Subscription Receipt will terminate on the earlier of: (i) the failure to satisfy the Release Conditions prior to 5:00 p.m. (Toronto time) on a scheduled date to be determined (the “Release Deadline”); or (ii) public announcement by Nextech prior to the Release Deadline, that (A) it does not intend to satisfy any of the Release Conditions



or (B) the Release Conditions are incapable of being satisfied by the Release Deadline. On termination of the Subscription Receipts, the gross proceeds of the Private Placement shall be returned to the purchasers pro rata without any deduction or interest and the Subscription Receipts shall be automatically cancelled.

It is intended that the proceeds raised pursuant to the Private Placement will be used for further development and promotion of ARitize Maps and for general corporate purposes. The Private Placement is anticipated to close prior to July 31, 2022.

Further Details of the Arrangement

The directors and officers of Subco on closing of the Arrangement are anticipated to be Evan Gappelberg (director, Chairman, and President), Paul Duffy (director and CEO), Belinda Tyldesley (director and Corporate Secretary) and Andrew Chan (Chief Financial Officer).

The Arrangement is subject to court and shareholder approval of the Arrangement, and standard closing conditions. The Arrangement cannot close until the required shareholder and court approval is obtained. There can be no assurance that the Arrangement will be completed as proposed, or at all.

Further details about the proposed Arrangement will be provided in a disclosure document to be prepared and filed in connection therewith. Investors are cautioned that, except as disclosed in the disclosure document to be prepared in connection with the Arrangement, any information released or received with respect to the foregoing matters may not be accurate or complete and should not be relied upon.

As a result of the foregoing, the Company has provided notice of termination of its previously announced letter agreement dated June 1, 2022 with PC 1 Corp. (“PC 1”) relating to the spinout of the ARitize Maps through a business combination with PC 1, as announced on June 3, 2022.

Paul Duffy, President of Nextech commented, “As the Metaverse begins to take hold, indoor navigation with wayfinding, brand activations and geo-marketing is poised to take off. This latest release of our app makes creating a Spatial point-



cloud as easy as taking a video on your smartphone. This is groundbreaking technology and another huge step in our goal of creating a no-code Metaverse Builder platform for Properties, Brands and Creators alike.”

With the ARitize Maps mobile app, anyone can spatially map their location within minutes, and populate it with interactive 3D content, augmented reality navigation, audio, text, images and more. Nextech provides a number of created and pre-loaded 3D objects, and creators can also upload their own OBJ/GLB files and create their own 3D objects to populate their Metaverse. Users can publish and share their Metaverse for others to experience while in the location.

Download the app

Apple iOs - [click here](#)

Google Play Store - [click here](#)

Create your own Metaverse!

ARitize Maps Tutorial - [click here](#)

ARitize Maps Demo - [click here](#)

The app has successfully been used and showcased at major events including:

- **“Reality Hack” at MIT:** [Nextech teamed up with the Massachusetts Institute of Technology \(MIT\) for the XR Hackathon, “Reality Hack”](#) where ARitize Maps was used as the main Metaverse platform. MIT event organizers used ARitize Maps for their participants, providing engaging event information, immersive event updates, and indoor augmented reality wayfinding, allowing participants to navigate their way around the event. In addition, hackers got access to the ARitize Maps platform, where they used our immersive technology to build their projects. A team that used ARitize Maps received the silver prize at the hackathon.
- **RC Show by Restaurants Canada:** The [RC Show](#) is one of the biggest events of the year for the foodservice and hospitality industry. As an official partner of the event, Nextech [launched its groundbreaking 365 Marketplace](#), and had its ARitize Maps 3D/AR technology on full display to the entire



food, beverage and restaurant industry. View these video sizzle reels of ARitize Maps experiences of [Bothwell Cheese](#) and a [Wine Showcase](#).

About Nextech AR

Using breakthrough artificial intelligence (“AI”), Nextech is able to quickly, easily and affordably ARitize (transform) vast quantities and varieties of existing assets at scale making products, people and places ready for interactive 3D use, giving creators at every level all the essential tools they need to build out their digital AR vision in the Metaverse. Its platform agnostic tools allow brands, educators, students, manufacturers, creators, and technologists to create immersive, interactive and the most photo-realistic 3D assets and digital environments, compose AR experiences, and publish them omnichannel. With a full suite of end-to-end AR solutions in 3D Commerce, Education, Events, and Industrial Manufacturing, Nextech is well positioned to meet the needs of both commercial brands and other Metaverse contributors. Nextech funds the development of its AR and Metaverse growth initiatives through its e-Commerce platforms, which currently generate most of its revenue. Nextech's e-commerce platforms include: vacuumcleanermarket.com (“VCM”), infinitepetlife.com (“IPL”) and Trulyfesupplements.com (“TruLyfe”). VCM and product sales of residential vacuums, supplies and parts, and small home appliances sold on Amazon. These e-commerce platforms serve as an incubator for developing and testing Nextech's leading edge AR, AI and machine learning applications for powering next-generation e-commerce technology.

To learn more, please follow us on [Twitter](#), [YouTube](#), [Instagram](#), [LinkedIn](#), and [Facebook](#), or visit our website: <https://www.Nextechar.com>.

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Cautionary Statements

The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking information based on current expectations. Statements about the closing of the Arrangement and Private Placement, expected terms and structure of the Arrangement and Private Placement, the number of securities that may be issued in connection with the Private Placement and the parties' ability to satisfy closing conditions and receive necessary approvals, as well as the prospective nature of the products of Nextech and Subco and the potential growth of the associated markets on a going forward basis, are all forward-looking information. These statements should not be read as guarantees of future performance or results. 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 the Arrangement or Private Placement will occur or that, if the Arrangement and/or Private Placement does occur, it will be completed on the terms described above. either Nextech nor Subco assumes any responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

In the event that insiders of Nextech receive any Subco Shares in connection with the Transaction, it may be deemed to be a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61- 101"). The Company will provide further details of the applicability of MI 61-101 and any requisite additional details in due course.



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solutions