



Nextech3D.ai Achieves Major Generative AI Breakthrough In Text to 3D Material Generation

*Generative AI is now giving Nextech3D.ai a Competitive Edge in 3D
Model making for the \$5.5 Trillion Ecommerce Market*

*Join Nextech3D.ai for a [Toggle3D.ai Investor Livestream](#) &
See a Generative AI Demo Today, Thursday, May 4*

TORONTO, O.N, Canada – MAY 4, 2023 - [Nextech3D.AI](#) (formally “Nextech AR Solutions Corp” or the “Company”) (OTCQX: NEXCF) (CSE: NTAR) (FSE: EP2), a Generative AI-Powered 3D model supplier for Amazon, P&G, Kohls and other major e-commerce retailers is pleased to announce the Company has launched breakthrough generative AI technology that facilitates the generation of 3D materials from text prompts. This breakthrough in text to 3D material creation is key in driving the company forward in its quest to be the dominant 3D model supplier for the ecommerce industry. The 3D models for ecommerce TAM are estimated to be worth \$100 billion over the next decade.

Evan Gappelberg, CEO of Nextech commented, “We are continuing to leverage the game-changing power of generative AI which we believe gives us a major competitive advantage in the 3D model for the ecommerce market. With generative AI we are creating an increasingly wider and exponentially growing moat: the more models we make, the larger the moat. I believe that we are at the point where the value of Nextech goes up with each new 3D model we make, creating a virtuous cycle of growth and value.”

He continued, “2023 is going to be the year of AI. We have already announced multi-million dollar enterprise contacts and more are expected in 2023. With our breakthrough AI which we are continuously developing and refining, we are becoming the global go-to 3D model supplier for ecommerce. With an estimated 300 million 3D models needing to be made and only < 1% having been made, we have only just scratched the surface. Since 2019, AI technology has always been on our radar but our investment really accelerated in 2021 when we invested over \$10million in AI. We are continuing to invest through Toggle3D.ai and we are just now starting



to see a return on our investment. Our proprietary breakthrough AI perfectly positions us to take full advantage of the multi-billion dollar decade-long 3D model mega-trend and gives us an opportunity to achieve software-like profit margins in the second half of 2023”

With a new wave of generative AI systems, such as ChatGPT, the world is entering a period of generational change where entire industries are going to be transformed. The Company believes that to be the 3D model leader for e-commerce, a clear and compelling AI strategy is needed. With its new key AI hires and its breakthrough AI focused on 3D modeling coupled with its Amazon relationship Nextech3D.ai believes that it’s emerging as the leader. As recently announced, Nextech3D.ai has launched [breakthrough AI to scale its 3D model production capabilities](#), which positions the Company for [breakout revenue growth in 2023](#) and beyond. The Company has also achieved a major generative [AI breakthrough in 3D model texture creation](#). Nextech3D.ai is using its newly developed AI to power its diversified 3D/AR businesses including Arway.ai, Toggle3D.ai and Nextech3D.ai.

Tune into the Toggle3D.ai Live Stream-TODAY!

Don’t miss this [AI-featured livestream!](#) CEO Evan Gappelberg and Chief Product Officer of Toggle3D Dasha Vdovina will join Proactive Investors to provide AI technology / Toggle3D.ai updates, a presentation and demo, and hold a Q&A with investors.

Date: Thursday, May 4, 2023

Time: 12:00 p.m Eastern Time / 3:00 p.m Eastern Time

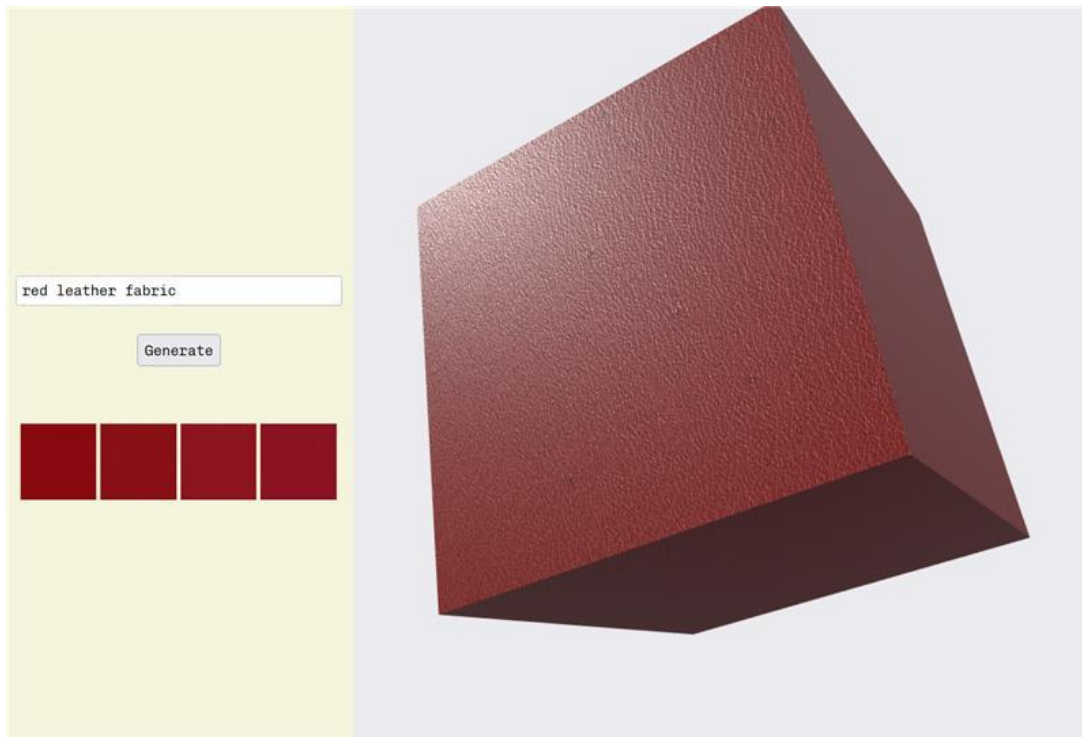
Link to join: <https://www.youtube.com/watch?v=hp0gFmItuOI>

Text to 3D Material Generation Explained:

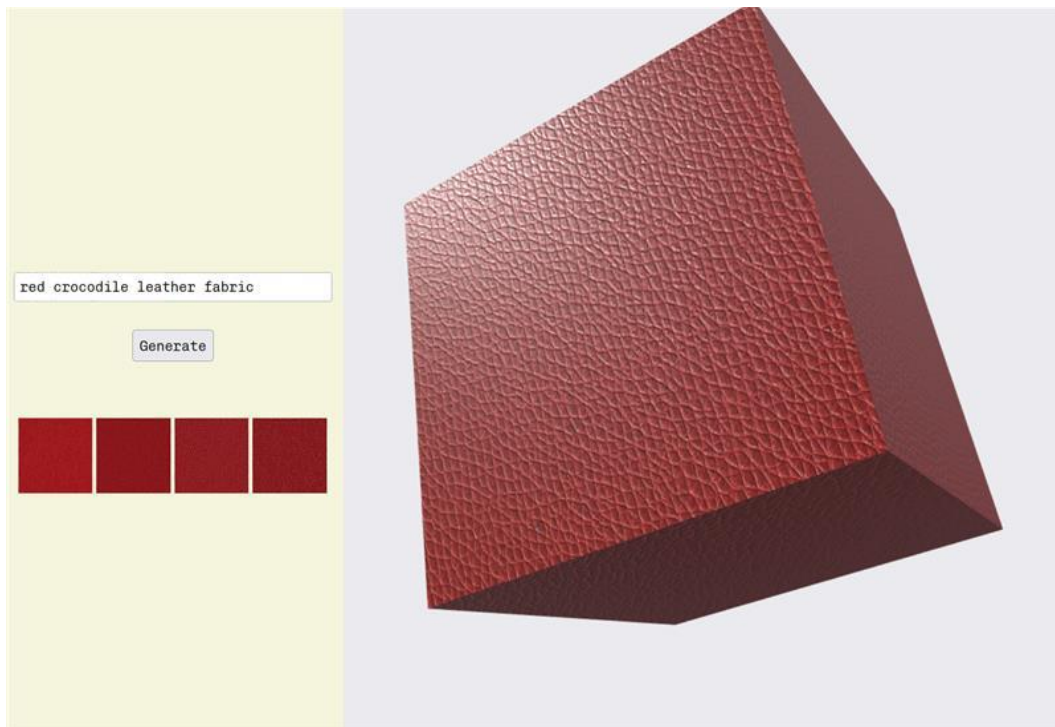
In the text-to-3D Material Pipeline, users can input a text prompt into the AI generator, and the system creates multiple image variations of that prompt. The generated images are then layered with texture maps to create a 3D material. The end result is a series of seamless materials that can be draped over a 3D object. This allows users to assess the results and swap between different variations quickly until they find the perfect one.

Moreover, users can add descriptive words to their original text prompt to further tweak the texture to their desired state. This feature provides users with a high degree of customization, allowing them to create unique textures that are tailored to their needs.

This is the result after the first text prompt: “Red Leather Fabric”



This is the result after the text prompt was further refined with a particular type of red leather pattern (i.e Crocodile): “Red Crocodile Leather Fabric”

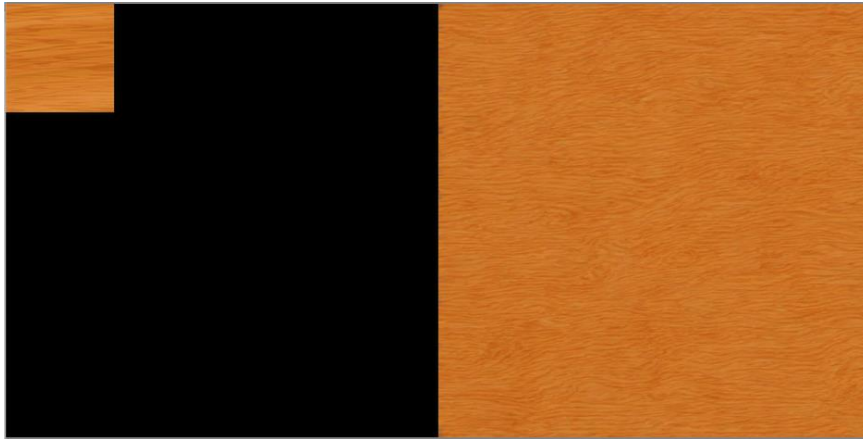


In the Image to 3D Material Pipeline, users can crop a patch from a reference product photo and generate a new high-quality 3D material. Once again, the material is PBR, meaning that it reacts to light as the material would naturally in the real world. This feature makes it ideal for creating high-quality and realistic 3D materials.

This method is powerful for recreating something from an image exactly as it exists in the real world. The input of the cropped patch can be low resolution, as the generative AI process will create a new replica of the material in 4k quality. The AI will take an educated guess for what the finish of the material is based on the input patch. However, users also have the power to edit the image by further providing descriptive words to the AI generator. This feature provides a high degree of customization, allowing users to create unique and tailored textures for their 3D models.

Below is an example of an input patch that was cropped from a reference photo and used to recreate a wooden texture. In the example, you see the AI-generated an image of the texture before applying the PBR maps to make the material 3D.

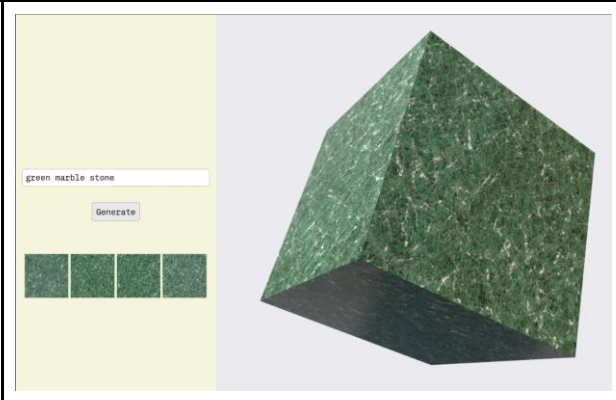
Input -> Generated AI Texture Output before PBR maps applied:



The example above of the wooden image is also one of the hardest materials to produce and recreate in 3D modeling. The precision of each crevasse and pattern in Wood makes this particular type of material difficult to recreate both manually and through AI. Using legacy software systems today, a professional 3D artist can spend anywhere from 2-4 hours recreating one wooden material.

As the team finishes fine-tuning both material generation pipeline, they will be released in Toggle3D as a feature in the Pro Plan.

More Examples of Text Prompt to 3D Material Generation Using AI-Generator:

<p>Text Prompt: “Green Marble Stone”</p>	
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<p>Text Prompt: “Dark Marble Stone Pattern”</p>	
<p>Text Prompt: “Blue Glossy Tiles”</p>	
<p>Text Prompt: “Wood”</p>	

Toggle3D Livestream

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Finalization of Auditor Change to Davidson & Company LLP

Nextech3D.ai previously announced that it had changed its auditor from Marcum LLP (the "Former Auditor") to Davidson & Company LLP (the "Successor Auditor"), effective May 1, 2023 (the "Effective Date"), this notice is to provide an update about the conclusion of this matter.

At the request of the Company, the Former Auditor resigned as the auditor of the Company and the Board of Directors of the Company appointed the Successor Auditor as the new auditor of the Company as of the Effective Date, until the close of the Company's next annual meeting of shareholders.

There were no modifications of opinion contained in Marcum's reports on the Company's annual financial statements for the period commencing at the beginning of the two most recently completed financial years through April 30, 2023.

In accordance with NI 51-102, the Notice of Change of Auditor, together with the required letters from the Former Auditor and the Successor Auditor, have been reviewed by the Company's Audit Committee and Board and have been filed on SEDAR accordingly.

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

About Nextech3D.ai

Nextech3D.ai (formally "Nextech AR Solutions Corp" or the "Company") (OTCQX: NEXCF) (CSE: NTAR) (FSE: EP2) is a Company that provides AI-powered 3D



modeling solutions focusing on the e-commerce industry. Its breakthrough generative AI technology enables the creation of high-quality 3D models quickly and efficiently. Nextech3D.ai's suite of products, including patented AI-based technology for 3D model creation and 2D to 3D conversion, has positioned it as a leader in the industry. The company is already a preferred 3D model supplier for Amazon, representing a massive growth opportunity. With the increasing popularity of e-commerce globally, Nextech3D.ai's services are becoming more valuable, providing an excellent runway for ongoing growth. For investors looking to participate in the commercialization of AI technology, Nextech3D.ai presents a unique investment opportunity.

The Company also develops or acquires what it believes are disruptive technologies and once commercialized, spins them out as stand-alone public Companies issuing a stock dividend to shareholders while retaining a significant ownership stake in the public spin-out.

On October 26, 2022 Nextech3D.ai spun out its spatial computing platform, “ARway” as a stand alone public Company. Nextech3D.ai retained a control ownership in ARway.ai with 13 million shares, or a 50% stake, and distributed 4 million shares to Nextech AR Shareholders. ARway is currently listed on the Canadian Securities Exchange (CSE:ARWY), in USA on the OTCQB (OTC: ARWYF) and Internationally on the Frankfurt Stock Exchange (FSE: E65). ARway.ai. is disrupting the augmented reality wayfinding market with a no-code, no beacon spatial computing platform enabled by visual marker tracking.

On December 14, 2022 Nextech announced its second spinout of Toggle3D, an AI-powered 3D design studio to compete with Adobe. Toggle3D is expected to be public in the first half of 2023.

To learn more about ARway, visit <https://www.arway.ai/>

For further information, please contact:

Investor Relations Contact

Lindsay Betts
investor.relations@Nextechar.com
866-ARITIZE (274-8493) Ext 7201

Nextech3D.ai

Evan Gappelberg



CEO and Director

866-ARITIZE (274-8493)

Forward-looking Statements

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

Certain information contained herein may constitute “forward-looking information” under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, “will be” or variations of such words and phrases or statements that certain actions, events or results “will” occur. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors. There can be no assurance that such statements will prove to be accurate, as 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. Nextech will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.