



## **AMPD VENTURES INC.**

### *News Release*

#### **AMPD VENTURES ANNOUNCES PROPOSED PRIVATE PLACEMENT & LETTER OF INTENT TO ACQUIRE METAVERSE INITIATIVES COMPANY, DEPARTURE LOUNGE INC.**

**Vancouver, British Columbia – October 26 2021 – AMPD Ventures Inc. (“AMPD” or the “Company”, CSE: AMPD; OTCQB: AMPDF; FRA: 2Q0)** announces that it intends to complete a private placement through which the Company is expected to issue and sell up to 11,666,667 units (the “Units”) at a price of CAD \$0.30 per Unit for aggregate proceeds of up to CAD \$3,500,000 (the “Private Placement”).

Each Unit will be comprised of one common share of the Company (each a ‘Share’) and one common share purchase warrant (each a “Unit Warrant” and, collectively, the “Unit Warrants”), with each Unit Warrant entitling the holder to subscribe for one Common Share (each a “Warrant Share” and, collectively, the “Warrant Shares”) in the capital of the Corporation at an exercise price of CAD \$0.50 per Warrant Share for a period of 24 months following the date of the closing of the Private Placement. The expiry date of the Unit Warrants may be accelerated at the option of the Company if, at any time prior to the expiry of the Unit Warrants, the volume weighted average trading price of the underlying Common Shares on the Canadian Securities Exchange (or such other recognized Canadian stock exchange on which the Common Shares are then listed) is or exceeds CAD \$0.80 for a period of ten (10) consecutive trading days.

As part of this transaction, the Company may enter into finder’s fee agreements with certain finders, paying to such finders a fee comprised of either i) a cash commission of up to 7% of the gross proceeds raised by finders, and that number of finder’s warrants, with the same terms as the Unit Warrants, equal to up to 7% of the number of Units sold on the portion of the Private Placement raised by finders, or ii) issue Shares to finders equal to up to 7% of the number of Units sold on the portion of the Private Placement raised by finders.

Certain insiders and related parties may participate in the Private Placement. The participation in the Private Placement by these insiders and related parties may constitute a “related party transaction” as defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI61-101”) which has been incorporated by the policies of the Canadian Securities Exchange (the “CSE”).

In conducting their review and approval process with respect to the Private Placement, disinterested directors of the Company approved the Private Placement, including the participation by insiders and related parties, which is exempt from the formal valuation and minority shareholder approval

requirements of MI 61-101 as, among other things, neither the fair market value of the relevant portions of the Private Placement nor the consideration therefore exceed 25% of the Company's market capitalization.

The Private Placement is subject to regulatory approval and all securities issued will be subject to a four-month hold period.

The Company is also pleased to announce that it has signed a non-binding Letter of Intent with Departure Lounge Inc. ("Departure Lounge"), and its shareholders. Departure Lounge is a Vancouver, BC-based company pursuing various technology and content initiatives related to the development of the Metaverse. The transactions contemplated by the LOI are subject to a number of conditions, including entering into a definitive Share Purchase Agreement (the "Share Purchase Agreement") through which the Company will acquire all the issued and outstanding shares of Departure Lounge (the "Acquisition").

The Company intends to use \$2.5M of the proceeds from the Private Placement to fund the ongoing operations of Departure Lounge post Acquisition.

Departure Lounge recently signed an agreement through its operating subsidiary, 1310675 B.C. Ltd., with leading 4D holographic capture provider, Metastage Inc., to build a Metastage holographic capture facility in Vancouver, BC. Departure Lounge will build on this initial foundation with a range of Metaverse-related technology and content initiatives.

"Part of AMPD's mission with the development of our High-Performance Edge platform has always been to become the hosting company for the Metaverse," said Anthony Brown, CEO at AMPD. "By adding Departure Lounge to AMPD's growing roster of subsidiaries and having AMPD's CSO, James Hursthouse, transition to running Departure Lounge as a wholly owned subsidiary of AMPD, we add significantly to the value of what we are creating through technology and content initiatives that require exactly the type of compute that AMPD specializes in providing. The result is a full 360-degree Metaverse focused organization."

"By joining the AMPD family, we have an exceptionally firm technology and infrastructure foundation on which to build our business," said Charles Creighton, President of the Departure Lounge. "AMPD's prowess in providing the type of infrastructure that we need is second to none and we're exceptionally excited about growing the business together."

The purchase price for the Acquisition contemplated by the LOI is CAD \$1,079,458 (the "Initial Purchase Consideration") plus an agreed earnout based on performance. The Initial Purchase Consideration will be satisfied through the issuance of 3,598,195 common shares in the capital of AMPD to be issued at a deemed price of \$0.30 per share (the "Purchase Shares"). The Purchase Shares will be subject to statutory resale restrictions of four months and a day, and, in addition, 50% of the Purchase Shares will be subject to contractual resale restrictions for two years from the date of issuance and will be released in four equal instalments every six months following the closing of the Acquisition.

The completion of the Acquisition is subject to, among other things, the successful completion of AMPD's due diligence review of Departure Lounge, entering into of the Share Purchase Agreement, approval of the directors and shareholders, as applicable, of AMPD and Departure Lounge, and any required approvals of the CSE, among other conditions.

The Acquisition may constitute a "related party transaction" as defined in MI61-101 which has been

incorporated by the policies of the CSE as James Hursthouse is the current CSO of the Company and one of the Vendors in the Acquisition.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### **About AMPD Ventures Inc.**

AMPD specializes in providing high-performance and computing solutions for low-latency applications, including video games and eSports, digital animation and visual effects, and big data collection, analysis and visualization. Additional information about us is available on SEDAR and our website at <http://ampd.tech>.

### **For further information please contact AMPD Investor Relations:**

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ON BEHALF OF THE BOARD OF DIRECTORS

/s/ "Anthony Brown"

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

### **Cautionary Statement**

#### *Forward Looking Statements*

*This news release contains statements and information that constitute "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of our management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Forward looking information in this news release includes statements about the completion of the Private Placement, the aggregate sale of Units and receipt of proceeds from the Private Placement, the use of proceeds of the Private Placement, the participation in the Private Placement of insiders of the Company, our plans to complete our due diligence on Departure Lounge and satisfy the other conditions necessary to close the Acquisition, the successful execution of the Share Purchase Agreement, our plans to continue working with the Departure Lounge management after completion of the Acquisition, the expected synergies from the Acquisition and*

*the benefits to our business that we expect from the addition of Departure Lounge, and any other statements that are not statements of historical fact.*

*Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of AMPD to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information.*

*Such factors include, but are not limited to: receipt of approvals required for the Private Placement and the Acquisition, the due diligence with respect to Departure Lounge, general business, economic, competitive, geopolitical, technological and social uncertainties; uncertainties in regard to the development and direction of cloud computing solutions; uncertain capital markets; delay or failure to receive board or shareholder approvals; a party's inability to satisfy a condition precedent to the closing of the Acquisition, and other risks related to the completion of the Acquisition and the inability of a party to perform its obligations under the share purchase agreement, as well as those factors discussed in the section entitled "Risk Factors" in the Company's Form 2A Listing Statement dated October 17, 2019 and "Risk and Uncertainties" in the Company's most recent Management Discussion and Analysis filed on SEDAR*

*Although the forward-looking information is based on our management's reasonable assumptions at the date such statements are made, there can be no assurance that the Private Placement or the Acquisition will complete, or that, if it does complete, that it will be completed on the terms described above, or that the forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. AMPD does not undertake to update or revise any forward-looking information, except in accordance with applicable securities laws.*

*All forward looking information contained in this news release is qualified by this cautionary statement.*

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