



## Alpha Metaverse Technologies Announces signing of LOI to acquire 100% of Shape Immersive Entertainment Inc and Brokered Private Placement Financing for up to \$4.0 Million

*Shape is an award-winning Metaverse agency and has a team comprised of experienced AR/VR technologists, 3D artists and software developers*

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VANCOUVER, B.C. (January 24, 2022) – Alpha Metaverse Technologies Inc. (CSE: ALPA) (FSE: 9HN), (OTC PINK: APETF) (“Alpha” or the “Company”) is pleased to announce that it has entered a letter of intent (the “LOI”) which contemplates the acquisition by Alpha of 100% of the issued and outstanding shares of Shape Immersive Entertainment Inc (“Shape”) in exchange for 14,840,000 common shares of Alpha and \$1 million in cash. Shape was originally founded in 2018 and builds immersive experiences for Metaverse leading companies like Red Bull®, the Olympics®, and RTFKT® (recently acquired by Nike®). Shape is a leader in 3D NFTs, holograms, augmented and virtual reality, and play-to-earn game development. The Company’s obligations under the LOI are subject to completion of satisfactory due diligence and successful negotiation of a definitive agreement.

“The Shape team has a wealth of knowledge regarding the Metaverse and we look forward to working with them through the transaction process,” states Alpha Metaverse CEO Brian Wilneff.

“Shape has pushed the boundaries of digital experiences for a number of years for many of the world’s top brands,” states Shape CEO, James Basnett. “Our talented group of Metaverse makers are excited about potentially joining forces with Alpha. We look forward to building our team faster and powering the future of web3 and play-to-earn gaming experiences.”

The Company is also pleased to announce that it has entered into an agreement with Research Capital Corporation, as sole agent and sole bookrunner (the “Agent”), in connection with a best efforts, brokered private placement of up to 16,000,000 units of the Company (the “Units”) at a price of \$0.25 per Unit (the “Offering Price”) for gross proceeds of up to \$4,000,000 (the “Offering”).

Each Unit will be comprised of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant shall be exercisable to acquire one additional Common Share (a “Warrant Share”) at an exercise price of \$0.40 per Warrant Share for a period of 24 months after the Closing (as defined below).

The Agent will have an option (the “Agent’s Option”) to offer for sale up to an additional 15% of the number of Units being offered in the Offering or an additional 2,400,000 Units at the Offering Price for gross proceeds of \$600,000, which Agent’s Option is exercisable, in whole or in part, at any time up to 48 hours prior to the Closing.



The Company intends to use the proceeds raised under the Offering for its business operations, working capital and general corporate purposes.

It is anticipated that the securities to be sold pursuant to the Offering will be offered by way of private placement in the provinces of British Columbia, Alberta and Ontario, and such other jurisdictions as may be determined by the Company and the Agent, in each case, pursuant to applicable exemptions from the prospectus requirements under applicable securities laws.

The Offering is expected to close on or about February 21, 2022, or on such other date as agreed upon between the Company and Agent (the “**Closing**”), and is subject to certain conditions, including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals. The Units and other securities to be issued under the Offering will have a hold period expiring on the date that is four months and a day from Closing.

In connection with the Offering, the Agent will receive an aggregate cash fee equal to 6.0% of the gross proceeds from the Offering (including in respect of any exercise of the Agent’s Option). In addition, the Company will grant the Agent, on date of Closing, such number of non-transferable broker warrants (the “**Broker Warrants**”) equal to 6.0% of the total number of Units sold under the Offering (including in respect of any exercise of the Agent’s Option). Each Broker Warrant will entitle the holder thereof to purchase one Unit at an exercise price equal to the Offering Price for a period of 24 months following the Closing. Furthermore, the Agent will also receive an aggregate cash corporate finance fee equal to 2.0% of the gross proceeds from the Offering (including in respect of any exercise of the Agent’s Option), as well as be granted such number of warrants (the “**Corporate Finance Fee Warrants**”) equal to 2.0% of the total number of Units sold under the Offering (including in respect of any exercise of the Agent’s Option). Each Corporate Finance Fee Warrant will entitle the holder thereof to purchase one Unit at an exercise price equal to the Offering Price for a period of 24 months following the Closing. The Company shall also pay the Agent a work fee of \$45,000 plus GST.

The securities described herein 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 accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

### **About Alpha Metaverse Technologies Inc.**

Alpha Metaverse Technologies Inc. is a technology company that focuses on emerging industries in Esports, mobile gaming, ecommerce, and other high growth opportunities. Through a strong portfolio of technology assets and products such as GamerzArena, Alpha Metaverse Technologies brings a unique mass-appeal focus to modern gaming platforms. Learn more at: [www.alphametaverse.com](http://www.alphametaverse.com)

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**On Behalf of The Board of Directors**  
**Brian Wilneff**  
**Chief Executive Officer**

### **Forward Looking Statement**

*Certain statements contained in this press release constitute “forward-looking statements” within the meaning of applicable securities laws. All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the LOI, the potential to enter into a definitive agreement with, and to acquire all of the shares of, Share, the terms of the Offering, the anticipated closing date of the Offering, the use of proceeds of the Offering, the Company’s strategy, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “plan”, “continue”, “will”, “may”, “would”, “anticipate”, “estimate”, “forecast”, “predict”, “project”, “seek”, “should” or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company’s expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. For instance, the Company may not enter into a definitive agreement with Share, nor close the Offering, in either case as currently contemplated or at all. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company’s MD&A for the most recent fiscal period. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.*

***The CSE has not reviewed, approved, or disapproved the content of this press release***

