

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Alpha Metaverse Technologies Inc. (the “Company”)
1930 - 1177 West Hastings Street
Vancouver, BC, V6E 4T5

Item 2 Date of Material Change

April 13, 2022

Item 3 News Release

The Company disseminated a news release announcing the material change described herein through the news dissemination services of Globe Newswire on April 13, 2022, and a copy was subsequently filed on SEDAR.

Item 4 Summary of Material Change

On April 13, 2022, the Company announced, further to the Company’s news release dated January 24, 2022, it has signed a definitive agreement with Shape Immersive Entertainment Inc. (“Shape”) and all the shareholders of Shape, to acquire 100% of the issued and outstanding share capital of Shape.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the news release attached as Schedule "A" for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7 Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8 Executive Officer

The name and business number of the executive officer of the Company who is knowledgeable of the material change and this report is:

Eli Dusenbury
Chief Financial Officer
Telephone: 604-359-1256

Item 9 Date of Report

April 13, 2022



Alpha Metaverse Technologies Announces Signing of Definitive Agreement to Acquire 100% of Shape Immersive Entertainment Inc.

VANCOUVER, B.C. (April [13], 2022) – Alpha Metaverse Technologies Inc. (CSE: [ALPA](#)) (FSE: [9HNO](#)), (OTC PINK: [APETF](#)) (“Alpha” or the “Company”) is pleased to announce, further to the Company’s news release dated January 24, 2022, that it has signed a definitive agreement (the “Agreement”) with Shape Immersive Entertainment Inc. (“Shape”) and all of the shareholders of Shape (the “Shape Shareholders”), to acquire (the “Acquisition”) 100% of the issued and outstanding share capital of Shape.

Upon completion of the Acquisition, Shape will continue to function as a fully operational metaverse creator engaged in the development of non-fungible token (“NFT”) technology, augmented reality experiences, and three dimensional (“3D”) products to transform user experiences. Shape is a leader in 3D NFTs, holograms, augmented and virtual reality, and play-to-earn game development. Shape has also partnered or worked with many well-known Fortune 1000 and other category leading companies such as RTFKT® (recently acquired by Nike®), Red Bull®, Intel® and the Olympics®.

“Entering into this Agreement with Shape represents a major milestone for Alpha in our expansion into Web3 and Metaverse-based gaming and branded experiences,” said Brian Wilneff, Alpha CEO. “We look forward to completing the Acquisition and growing Shape’s continued studio work for major brands and leveraging its development capabilities to grow Alpha’s existing gaming properties. This combination of internal and external studio work will also expand Alpha’s business development pipeline and partnership growth.”

Purchase Consideration:

On and subject to the conditions set forth in the Agreement, the Company will deliver the following consideration for the Acquisition:

- (a) Payment of an aggregate \$500,000 in cash to the Shape Shareholders (collectively) on the closing date of the Acquisition (the “Closing Date”);
- (b) Issuance of an aggregate 14,000,000 common shares in the capital of the Company (each, a “Alpha Share”) to the Shape Shareholders (collectively) on the Closing Date;
- (c) Payment of an aggregate \$500,000 in cash to the Shape Shareholders (collectively) within one-hundred and eighty (180) days following the Closing Date (the “Additional Cash Consideration”); and
- (d) Issuance of an aggregate of 840,000 Alpha Shares to certain individuals for services rendered in connection with the successful completion of the transaction contemplated by the Agreement on the Closing Date.

The 14,000,000 Alpha Shares to be issued pursuant to the Acquisition shall be subject to escrow restriction whereby 10% of such Alpha Shares shall be released on the Closing Date, and thereafter, 18% of such



remaining Alpha Shares shall be released after each subsequent four (4) month period following the Closing Date (the “**Escrow Arrangement**”).

The Company shall grant a general security interest in favour of the Shape Shareholders for the purposes of securing the payment of the Additional Cash Consideration. In the event the Additional Cash Consideration has not been paid within one-hundred and eighty (180) days following the Closing Date, the Company shall issue an additional aggregate 6,678,000 Alpha Shares to the Shape Shareholders (collectively), the Escrow Arrangement shall no longer apply and the Company shall maintain the obligation to pay the Additional Cash Consideration.

In addition, the Company has agreed to issue up to an aggregate of 9,000,000 Alpha Shares to certain Shape Shareholders (collectively) who will be joining Alpha, upon completion of the Acquisition, as employees or consultants (collectively, the “**Milestone Shares**”), on the following basis:

- (a) 500,000 Milestone Shares upon the market capitalization of Alpha being not less than \$50,000,000 for a period of 10 consecutive trading days;
- (b) 500,000 Milestone Shares upon the market capitalization of Alpha being not less than \$75,000,000 for a period of 10 consecutive trading days;
- (c) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$100,000,000 for a period of 10 consecutive trading days;
- (d) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$125,000,000 for a period of 10 consecutive trading days;
- (e) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$150,000,000 for a period of 10 consecutive trading days;
- (f) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$175,000,000 for a period of 10 consecutive trading days;
- (g) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$200,000,000 for a period of 10 consecutive trading days;
- (h) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$250,000,000 for a period of 10 consecutive trading days;
- (i) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$300,000,000 for a period of 10 consecutive trading days; and
- (j) 1,000,000 Milestone Shares upon the market capitalization of Alpha being not less than \$350,000,000 for a period of 10 consecutive trading days,



provided that each respective milestone must be achieved within five years after the Closing Date and that the market capitalization for each milestone shall be calculated based on the price per Alpha Share on the Canadian Securities Exchange multiplied by the number of Alpha Shares then outstanding,

Closing of the Acquisition is subject to customary conditions, including receipt of all necessary regulatory and other approvals.

About Alpha Metaverse Technologies Inc.

Alpha Metaverse Technologies Inc. is a technology company that focuses on emerging industries in Esports, mobile, console and web-based gaming, ecommerce, and other high growth opportunities such as augmented reality / virtual reality Web3 and Blockchain-based businesses. Through a strong portfolio of technology assets and products such as GamerzArena and HeavyChips, Alpha brings a unique mass-appeal focus to modern gaming platforms. Learn more at: www.alphametaverse.com

Contact:

Investor Relations: ir@alphametaverse.com - 604 359 1256

Media and Public Relations: media@alphametaverse.com

On Behalf of The Board of Directors

Brian Wilneff

Chief Executive Officer

Forward-Looking Statement

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to statements regarding the Acquisition, the Company's business and plans, including with respect to undertaking further acquisitions, the satisfaction of additional payments and the achievement of certain milestones, including but not limited to, any increase in market capitalization. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risks that the Acquisition does not complete as contemplated, or at all; that the Company does not complete any further acquisitions; that the Company does not satisfy its future payments and issuances; that the Company does meet any or all of its future milestones, including but not limited, any increase in market capitalization; and that the Company may not be able to carry out its business plans as expected. Except as required by law, the Company expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this news release. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct and makes no reference to profitability based on sales reported. The statements in this news release are made as of the date of this release.

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

