

AMENDMENT #1 TO SHARE PURCHASE AGREEMENT

THIS AGREEMENT made on the 28th day of December, 2022

AMONG:

ALPHA METAVERSE TECHNOLOGIES INC., a company incorporated under the laws of the Province of British Columbia, with an office at 1930 – 1177 West Hastings Street, Vancouver, British Columbia V6E 4T5

("Alpha")

-and-

SHAPE IMMERSIVE ENTERTAINMENT INC., a company incorporated under the laws of the Province of British Columbia with an office at 400-1168 Hamilton Street, Vancouver, BC V6B 2S2

("Shape")

-and-

ALL OF THE UNDERSIGNED FORMER HOLDERS OF SHARES ISSUED BY SHAPE,

(collectively, the "**Former Holders**" and, together with Alpha and Shape, the "**Parties**")

WHEREAS Alpha, Shape and the Former Holders entered into a share purchase agreement dated April 12, 2022, pursuant to which Alpha purchased all of the outstanding shares of Shape from the Former Holders (the "**SPA**");

AND WHEREAS on November 29, 2022, the Parties entered into a non-binding term sheet to summarize their mutual intentions and understandings regarding the amendment of the SPA to provide for a deferred payment schedule for the \$500,000 payable by Alpha pursuant to Subsection 2.1(b)(ii) of the SPA and certain related matters (the "**Term Sheet**");

AND WHEREAS the Parties hereto now wish to formally amend the SPA to provide for the amendments summarized in the Term Sheet;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Amending Agreement, and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged), it is agreed that:

1. Capitalized Terms

All capitalized terms used in this Amending Agreement but not defined herein shall have the meanings attributed to such terms in the SPA.

2. Subsection 1.1(c)

Subsection 1.1(c) of the SPA is hereby amended to replace the words “Section 2.1(b)(ii)” with “Section 2.1(b)(iii)”.

3. Subsection 1.1(d)

The following new definition shall be added to Section 1.1 of the SPA as Subsection 1.1(d), and all subsequent Subsections of Section 1.1 of the SPA shall be renumbered accordingly:

“(d) **“Additional Cash Period”** means the period beginning on **December 28th, 2022** and ending on **September 28, 2023**.”

4. Subsection 1.1(fff)

Subsection 1.1(fff) of the SPA is hereby amended to replace the words “Additional Cash Payment” with the words “Additional Cash Consideration”.

5. Subsection 1.1(iii)

The following new definition shall be added to Section 1.1 of the SPA as Subsection 1.1(iii), and all subsequent Subsections of Section 1.1 of the SPA shall be renumbered accordingly:

“(iii) **“Shape Bank Accounts”** means all the bank accounts of Shape, including those set forth in Schedule “I”, and any new accounts created as part of Shape’s ongoing business operations.”.

6. Subsection 1.1(kkk)

The following new definition shall be added to Section 1.1 of the SPA as Subsection 1.1(kkk), and all subsequent Subsections of Section 1.1 of the SPA shall be renumbered accordingly:

“(kkk) **“Shape EBITDA”** means Shape’s earnings before interest expense, tax expense and non-cash items, including but not limited to depreciation, amortization, impairment of assets and share-based compensation, determined in accordance with IFRS.”.

7. Subsection 1.1(www)

The following new definition shall be added to Section 1.1 of the SPA as Subsection 1.1(www), and all subsequent Subsections of Section 1.1 of the SPA shall be renumbered accordingly:

“(www) **“Unrestricted Cash”** means cash or cash equivalents held by Shape.”.

8. Subsection 1.1(zzz)

The following new definition shall be added to Section 1.1 of the SPA as Subsection 1.1(zzz), and all subsequent Subsections of Section 1.1 of the SPA shall be renumbered accordingly:

“(zzz) **“Warrant”** has the meaning set out in Section 2.1(b)(iii)(C).”.

9. Subsection 2.1(b)(ii)

Subsection 2.1(b)(ii) of the SPA is hereby deleted in its entirety and replaced with the following:

“(ii) on or before **December 28th, 2022**, Alpha will pay an additional \$100,000 in cash to the Shape Shareholders (collectively) to the account set out in Schedule “K”, to be distributed in accordance with each Shape Shareholder’s respective Pro Rata Share as set forth opposite such Shape Shareholder’s name in Column D of Part I of Schedule “A”; and”.

10. Subsection 2.1(b)(iii)

Subsection 2.1(b)(iii) of the SPA is hereby deleted in its entirety and replaced with the following:

“(iii) on or before **September 28th, 2023**, Alpha will pay an additional \$400,000 in cash (the **“Additional Cash Consideration”**) to the Shape Shareholders (collectively), to be distributed in accordance with each Shape Shareholder’s respective Pro Rata Share as set forth opposite such Shape Shareholder’s name in Column D of Part I of Schedule “A”; provided, however, that:

- (A) in the event that Shape EBITDA for any calendar month during the Additional Cash Period is greater than \$0, the lesser of the (x) amount of positive Shape EBITDA generated by Shape in such calendar month and (y) amount of Unrestricted Cash within the Shape Bank Accounts on the date on which payment is required pursuant to this Section 2.1(b)(iii)(A) shall be paid by Alpha to the Shape Shareholders (collectively), to be distributed in accordance with each Shape Shareholder’s respective Pro Rata Share as set forth opposite such Shape Shareholder’s name in Column D of Part I of Schedule “A” within ten (10) Business Days of the date on which the positive Shape EBITDA for such calendar month is determined in accordance with Section 2.1(c), in partial or complete satisfaction of Alpha’s obligation to pay the Additional Cash Consideration required to be paid by Alpha to the Shape Shareholders (as the same may be reduced from time to time pursuant to this Section 2.1(b)(iii)), and any such amount paid by Alpha to the Shape Shareholders shall reduce the amount of the Additional Cash Consideration required to be paid by Alpha;
- (B) in the event that Alpha closes a debt or equity financing during the Additional Cash Period pursuant to which Alpha actually receives gross proceeds of (x) \$500,000 to \$1,000,000, Alpha shall pay all or the maximum possible portion (subject to the remaining provisions of this Section 2.1(b)(iii)(B)) of the Additional Cash

Consideration required to be paid by Alpha to the Shape Shareholders (collectively), as the same may be reduced from time to time pursuant to this Section 2.1(b)(iii), to be distributed in accordance with each Shape Shareholder's respective Pro Rata Share as set forth opposite such Shape Shareholder's name in Column D of Part I of Schedule "A", to the extent that, after accounting for such payment of the Additional Cash Consideration, Alpha's available cash balances (including the available, unrestricted cash balances of its subsidiaries which are accessible by Alpha without adverse tax consequences to Alpha or the subsidiary in question), measured at the date of the closing of any such equity or debt financing, including the net proceeds of such financing after accounting for Alpha's payment of all costs associated with such financing (including, without limitation, any finder's fees, commissions, lender's fees, professional fees and similar fees), remain greater than \$750,000, or (y) greater than \$1,000,000, Alpha shall pay the Additional Cash Consideration required to be paid by Alpha to the Shape Shareholders (collectively), as the same may be reduced from time to time pursuant to this Section 2.1(b)(iii), to be distributed in accordance with each Shape Shareholder's respective Pro Rata Share as set forth opposite such Shape Shareholder's name in Column D of Part I of Schedule "A", in each case within ten (10) Business Days of the closing of any such equity or debt financing, and any such amount paid by Alpha to the Shape Shareholders shall reduce the amount of the Additional Cash Consideration required to be paid by Alpha; and

- (C) in the event that any share purchase warrant of Alpha outstanding on the date hereof (each, a "**Warrant**") is exercised during the Additional Cash Period, the exercise price of any such Warrant actually received by Alpha shall be paid by Alpha to the Shape Shareholders (collectively), to be distributed in accordance with each Shape Shareholder's respective Pro Rata Share as set forth opposite such Shape Shareholder's name in Column D of Part I of Schedule "A", within ten (10) Business Days of its receipt by Alpha, in partial or complete satisfaction of Alpha's obligation to pay the Additional Cash Consideration required to be paid by Alpha to the Shape Shareholders (as the same may be reduced from time to time pursuant to this Section 2.1(b)(iii)), and any such amount paid by Alpha to the Shape Shareholders shall reduce the amount of the Additional Cash Consideration required to be paid by Alpha.

With respect to Section 2.1(b)(iii)(B), as an example only, if the remaining Additional Cash Consideration required to be paid by Alpha is \$400,000 on the date that Alpha closes a financing for gross proceeds of \$900,000 which, after accounting for Alpha's payment of all costs associated with such financing, increases Alpha's available cash balances to \$800,000, Alpha would be required to pay \$49,999.99 to the Shape Shareholders pursuant to Section 2.1(b)(iii)(B) within ten (10) Business Days of the closing of such financing, and such payment would reduce the remaining Additional Cash Consideration required to be paid by Alpha to \$350,000.01.

For greater certainty, in the event that Alpha pays the Additional Cash Consideration in the full amount of \$400,000 (whether in one lump sum payment or through multiple payments) to the Shape Shareholders during the Additional Cash Period, whether pursuant to this Section

2.1(b)(iii) or otherwise, the requirement for Alpha to make payment to the Shape Shareholders upon the occurrence of the events contemplated in Sections 2.1(b)(iii)(A), 2.1(b)(iii)(B) or 2.1(b)(iii)(C) will be of no further force or effect beginning on the date on which the Additional Cash Consideration is paid in full (whether in one lump sum payment or by way of a final installment payment).”.

11. Subsection 2.1(c)

The following new Subsection shall be added to Section 2.1 of the SPA as Subsection 2.1(c):

“(c) For the purposes of determining Shape EBITDA pursuant to Section 2.1(b)(iii)(A), within seven (7) days of the end of the calendar month in respect of which Shape EBITDA is being calculated, the Shape Shareholder Representative or Yi-Chen Su shall deliver its calculation of the Shape EBITDA to the Chief Financial Officer of Alpha, along with back-up calculations and such other records and working papers used by Shape to calculate the Shape EBITDA. Following the delivery of the Shape EBITDA calculation, along with the associated records and working papers, to the Chief Financial Officer of Alpha, the Chief Financial Officer of Alpha shall review the Shape EBITDA calculation. If the Shape Shareholder Representative or Yi-Chen Su has not received any comments, questions or disputes with respect to the Shape EBITDA calculation from the Chief Financial Officer of Alpha on or prior to the seventh (7th) day following the date on which the calculation of the Shape EBITDA is delivered to the Chief Financial Officer of Alpha (along with the associated records and working papers), or in the event that the Chief Financial Officer of Alpha accepts the Shape EBITDA calculation in writing, Alpha shall be deemed to have accepted the calculation of Shape EBITDA prepared by the Shape Shareholder Representative or Yi-Chen Su, which shall be final and binding on the Parties for the purposes of Section 2.1(b)(iii)(A). If the Shape Shareholder Representative or Yi-Chen Su receives comments, questions or disputes with respect to the calculation of the Shape EBITDA from the Chief Financial Officer of Alpha on or before the seventh (7th) day following the date on which the calculation of the Shape EBITDA is delivered to the Chief Financial Officer of Alpha (along with the associated records and working papers), then Alpha and the Shape Shareholder Representative or Yi-Chen Su shall use reasonable efforts to resolve such comments, questions or disputes within thirty (30) days of the end of the calendar month in respect of which the Shape EBITDA is being calculated and agree on the Shape EBITDA for the calendar month in question.

If such comments, questions or disputes are not resolved within such thirty (30) day period, then the dispute with respect to the calculation of the Shape EBITDA shall be submitted by Alpha to the auditor of Alpha. The auditor of Alpha shall, as promptly as practicable (but in any event within 30 days following the submission of the dispute with respect to the calculation of the Shape EBITDA to the auditor of Alpha), make a determination of the Shape EBITDA for the month in question, based solely on written submissions of Alpha and the Shape Shareholder Representative given by them to the auditor of Alpha. The submissions of each of Alpha and the Shape Shareholder Representative shall be disclosed to the other, and the other shall be afforded a reasonable opportunity to respond thereto. The decision of the auditor of Alpha as to the Shape EBITDA for the month in question shall be final and binding upon the Parties and

shall constitute the Shape EBITDA for the month in question for the purposes of this Agreement. The costs and expenses of the auditor of Alpha in respect of any dispute regarding the Shape EBITDA shall be fully borne by Alpha and by Alpha only.”.

12. Subsection 2.1(d)

The following new Subsection shall be added to Section 2.1 of the SPA as Subsection 2.1(d):

“(d) If the Additional Cash Consideration payable by Alpha pursuant to Section 2.1(b)(iii) is not paid in full on or before the conclusion of the Additional Cash Period, Alpha shall, within ten (10) Business Days of the conclusion of the Additional Cash Period, issue and deliver an additional aggregate 6,678,000 Alpha Shares to the Shape Shareholders (collectively), to be distributed in accordance with each Shape Shareholder’s respective Pro Rata Share, as set forth opposite such Shape Shareholder’s name in Column D of Part 1 of Schedule “A”. For clarity, issuance and delivery of the 6,678,000 Alpha Shares pursuant to this Section 2.1(d) shall not relieve Alpha of its obligation to pay the Additional Cash Consideration pursuant to Section 2.1(b)(iii), which amount will remain due and owing by Alpha. For further clarity, if payment of the Additional Cash Consideration is made on or before the conclusion of the Additional Cash Period, then Alpha will have no obligation to issue and deliver the additional 6,678,000 Alpha Shares and the total number of Alpha Shares issued and delivered by Alpha to the Shape Shareholders under this Agreement will be 14,000,000 Alpha Shares, with the exception of any Alpha Shares that may be issued to the Milestone Shape Shareholders pursuant to Section 2.3 hereof.”.

13. Subsection 2.5(f)

Subsection 2.5(f) of the SPA is hereby amended to replace the words “Additional Cash Payment” with the words “Additional Cash Consideration”.

14. Section 2.4

Section 2.4 of the SPA is hereby amended to add the following words immediately after the end of the last sentence of Section 2.4 of the SPA (as constituted immediately prior to the effectiveness of this Amending Agreement) as a new paragraph of Section 2.4 of the SPA:

“Notwithstanding any of the foregoing provisions of this Section 2.4, any Shape Shareholder’s Alpha Shares issued and outstanding on **January 6, 2023** shall be released from the Escrow Arrangement on such date.”

15. Acknowledgment

The Former Holders hereby irrevocably and unconditionally acknowledge and agree that Alpha’s failure to pay the \$500,000 payable by Alpha pursuant to Subsection 2.1(b)(ii) of the SPA (prior to the amendments contemplated in this Amending Agreement) in accordance with Subsection 2.1(b)(ii) of the SPA (prior to the amendments contemplated by this Amending Agreement) shall not constitute any non-

fulfilment or breach of the SPA or an Event of Default under the SPA or for the purposes of the Security Agreement, and that neither the Shape Shareholder Representative nor the Former Holders shall have any rights to the Alpha Assets pursuant to the Security Interest in respect of such non-payment, whether under the SPA, the Security Agreement or otherwise.

16. General Matters

- (a) Except for the amendments contemplated in this Amending Agreement, no other amendments to the SPA are made by the Parties pursuant to this Amending Agreement, and the SPA shall otherwise remain outstanding on identical terms and conditions and all of the respective rights and obligations of the Parties to the SPA remain in full force and effect.
- (b) This Amending Agreement may be signed in counterparts and may be delivered by facsimile, email or other permanent electronic format, each of which when delivered will be deemed to be an original and all of which together will constitute one instrument.
- (c) This Amending Agreement shall be subject to, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, and the Parties hereby attorn to the non-exclusive jurisdiction of the courts of British Columbia.
- (d) This Amending Agreement is binding upon and will enure to the benefit of each party and its respective successors and permitted assigns.

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IN WITNESS WHEREOF the Parties hereto have executed this Amending Agreement as of the date first written above

ALPHA METAVERSE TECHNOLOGIES INC.

By: (signed) "Brian Wilneff"

Name: Brian Wilneff

Title: CEO

SHAPE IMMERSIVE ENTERTAINMENT INC.

By: (signed) "James Basnett"

Name: James Basnett

Title: CEO

FORMER HOLDERS:

(signed) "Yi- Chun Chuang"

YI-CHUN CHUANG

(signed) "James Basnett"

JAMES JASON BASNETT

FANTASY 360 TECHNOLOGIES INC.

By: (signed) "Shabeer Sinnalebbe"

Name: Shabeer Sinnalebbe

Title: CEO

(signed) "Daniel Lee"

DANIEL LEE

(signed) "Yi-Chen Su"

YI-CHEN SU

Schedule "K"

[redacted: personal information]