

SQID ACQUIRES 50% OF ICON ESPORTS

Melbourne, Australia - December 18, 2020 – SQID Technologies Limited (“SQID”) (CSE: SQID) is pleased to announce it has entered into a letter of intent (“LOI”) to acquire 50% of ICON Esports Pty Ltd. (“ICON”).

Pursuant to the LOI, SQID has agreed to invest AUD \$2,250,000 for a 50% equity interest (on a fully-diluted basis) in ICON (the “Transaction”). ICON runs The Chiefs Esports platform, a premier Electronic Sports club in Australia, featuring top teams in various competitive video games. Founded in August, 2014 by the members of the top League of Legends team in Australia, the Chiefs have endeavoured to achieve excellence in esports and gaming entertainment.

ICON generated unaudited AUD\$501,377 revenue in June 30, FY2020 and achieved strong growth in H1, FY2021 with unaudited revenue of AUD\$426,663 by running marketing campaigns for global brands such as Intel, Red Bull, Marvel ANZ, Singtel (OPTUS) and L’Oréal. Upon completion of the Transaction, SQID intends to integrate its payment platform into the ICON platform forming a single unified solution for payments and marketing campaigns. SQID has an existing solution of APIs and software plugins for mobile applications and upon completion of the Transaction, expects a relatively simple integration between the two platforms.

Completion of the Transaction is anticipated to provide SQID with a material increase in revenue, a strong sales pipeline and broaden its product offering. SQID anticipates the integration of SQID’s payment processing platform will help ICON launch new services to generate more revenue upon completion of the Transaction. The investment of AUD\$2,250,000 is expected to be used to expand the sales and business development activity and to support growth.

Pursuant to the LOI, in recognition of the management time and cost commitment with respect to the Transaction, ICON has granted SQID a period of exclusivity for two months from the date of the LOI. In addition, upon completion of the Transaction, it is expected that two nominees from SQID and two nominees from ICON will comprise the board of directors of ICON.

Completion of the Transaction may be subject to a number of conditions including, but not limited to, satisfactory due diligence, the completion of a definitive agreement in respect of the Transaction, customary closing conditions, director and shareholder approval, if necessary, and receipt of all regulatory and third party approvals.

For further information, please contact:

Athan Lekkas
athan.lekkas@sqidpayments.com.au
CEO
+61.499004422

Cautionary Note Regarding Forward-Looking Statements

This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. More particularly and without limitation, this press release contains forward-looking statements and information concerning: successful completion of the Transaction, the ability to satisfy all requirements in order to close the Transaction, the ability of SQID and ICON to obtain all necessary consents and approvals, the anticipated successful integration of payment platforms of SQID and ICON, the anticipated increase in revenue, strong sales platform and expanded product offering of SQID and ICON upon successful completion of the Transaction, the anticipated composition of the board of directors of ICON upon completion of the Transaction, the intended use of proceeds from the Transaction and the anticipated revenue of ICON in FY2021. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks inherent in the nature of the proposed Transaction, including failure to realize the anticipated benefits thereof, the risks that the parties will not proceed with the Transaction, the failure to obtain the required shareholder, regulatory and other third party approvals as may be required in connection therewith, the appointment of the proposed directors of ICON and associated transactions, that the ultimate terms of the Transaction, the appointment of the proposed directors of ICON and associated transactions will differ from those that currently are contemplated, and that the Transaction, the appointment of the proposed directors of ICON and associated transactions will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). There can be no assurance that forward-looking statements contained in this press release will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned that the foregoing list of factors is not exhaustive. The terms and conditions of the Transaction may change based on SQID’s due diligence and the receipt of tax, corporate and securities law advice for SQID. In addition, there are no assurances the Transaction will be completed on the terms anticipated, or at all. The information about ICON contained in the press release has not been independently verified by SQID.

The forward-looking statements and information contained in this press release are made as of the date hereof and SQID undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE), accepts responsibility for the adequacy or accuracy of this news release.