

GENERATIVE AI ANNOUNCES DEFINITIVE AGREEMENT WITH ULTRON CAPITAL TO COMPLETE REVERSE TAKEOVER

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VANCOUVER, BC, Feb. 16, 2023 /CNW/ - **GENERATIVE AI SOLUTIONS CORP. ("AI" or the "Company")** (CSE: IDLE.X) (FSE: 99L.F) (OTC: IDLSF) (formerly IDLE Lifestyle Inc.) is pleased to announce that it has entered into a definitive business combination agreement dated February 16, 2023 (the "**Business Combination Agreement**") with Ultron Capital Corp. ("**Ultron**") pursuant to which, subject to the satisfaction of certain conditions, including receipt of all necessary shareholder and stock exchange approvals, among other things, Ultron and AI will complete a transaction (the "**Proposed Transaction**") which will result in a reverse takeover of the Company by Ultron, and which will constitute a fundamental change of the Company, as defined by the policies of the Canadian Securities Exchange ("**CSE**").

Ultron, an arm's length party to the Company, is in the business of the development and application of artificial intelligence technology. Following the completion of the Proposed Transaction, the resulting company (the "**Resulting Issuer**") will carry on the business of Ultron. The closing of the Proposed Transaction (the "**Closing**") is expected to occur before April 30, 2023.

Summary of Proposed Transaction

The execution of the Business Combination Agreement follows the execution by the parties of a non-binding letter of intent that was previously announced in the Company's news release dated January 27, 2023.

In accordance with the terms of the Business Combination Agreement, the Proposed Transaction will be structured as a three cornered amalgamation whereby Ultron will amalgamate with a wholly owned subsidiary of the Company (the "**Amalgamation**") and the current shareholders of Ultron will become shareholders of the Resulting Issuer. Prior to the Amalgamation, it is anticipated that all of the Company's issued and outstanding multiple voting shares (each, a "**MV Share**") will be converted to subordinate voting shares of the Company (each, a "**SV Share**") on a 1,000:1 basis (the "**Conversion**") and a new class of common shares (each, a "**Common Share**") will be added to the authorized share structure of the Company. Ultron's authorized share structure consists of an unlimited amount of common shares (each an "**Ultron Common Share**"). Pursuant to the Amalgamation, all Ultron Common Shares outstanding will be exchanged for a total of approximately 51,176,001 common shares of the Resulting Issuer (each a "**Resulting Issuer Share**"), provided that if the Ultron Private Placement (defined below) is over-subscribed, the number of Resulting Issuer Shares above shall be increased proportionally to the over-allotment of Ultron Common Shares issued pursuant to the Ultron Private Placement.

It is a condition to completion of the Proposed Transaction that the Company complete the Conversion and that Ultron completes its offering of at least 8,175,000 Ultron Common Shares at a price of no less than \$0.15 per Ultron Common Share (the "**Ultron Private Placement**"). Upon completion of the Proposed Transaction, it is anticipated that existing shareholders of the Company will hold approximately 9.8% of the outstanding authorized share structure of the Resulting Issuer on an undiluted basis and the former holders of Ultron Common Shares will hold approximately 90.2%. No finder's fee will be payable in relation to the completion of the Proposed Transaction.

Completion of the Proposed Transaction remains subject to a number of conditions, including completion of satisfactory due diligence by both parties, the receipt of any required regulatory approvals, the completion of the Ultron Private Placement, and the completion of the Conversion. The Resulting Issuer will also require conditional approval from the CSE. In connection therewith, the Company expects to file a Form 2A Listing Statement (the "**Listing Statement**") with the CSE.

It is anticipated that the Company will call a shareholder meeting ("**AI Meeting**") to approve, among other things, the Amalgamation and certain amendments to its constating documents necessary to complete the Proposed Transaction including amendments to its authorized share structure to include the Common Shares and amend the special rights and restrictions of the MV Shares and SV Shares. Additional details will be provided in a further news release and a management information circular to be circulated to shareholders of the Company in connection with the AI Meeting.

The above constitutes only a summary of key terms of the Business Combination Agreement. For more complete information on the Proposed Transaction, investors should refer to the full Business Combination Agreement, which will be made available on the Company's profile at www.sedar.com.

Proposed Management of the Resulting Issuer

Upon completion of the Proposed Transaction, it is proposed that the following individuals will form the board of directors and executive team of the Resulting Issuer:

Ryan Selby – Chief Executive Officer and Director

Paul Ciullo – Chief Financial Officer

Aaron Bowden – Director

Patrick Gray – Director

Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or listing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The CSE has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this news release.

Further details about the Resulting Issuer, including financial information and details on the management and directors, will be included in the Listing Statement and in subsequent news releases and other public filings, all of which will be available for review under the Company's profile on www.sedar.com.

On Behalf of the Board,

Patrick Gray
CEO and Director

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The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

As noted above, completion of the Proposed Transaction is subject to a number of conditions, including conditional approval of the listing of the shares of the Resulting Issuer on the CSE. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or Listing Statement of the Company to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

*This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities under the Ultron Private Placement 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 or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

Forward-Looking Information and Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements.

Generally, such forward-looking information or forward-looking statements can be identified by the use of forward looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding: the Company's ability to complete the Proposed Transaction; the ability of the Resulting Issuer to carry out the business of Ultron; the ability of the Company to effect a Conversion; the ability of Ultron to compete the Ultron Private Placement; the ability of Ultron and the Company to file the Listing Statement; and the Resulting Issuer's ability to achieve a listing on the CSE.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company's ability to continue as a going concern; the Company's ability to continue to develop revenue generating applications; continued approval of the Company's activities by the relevant governmental and/or regulatory authorities; the continued growth of the Company; and the ability of the Company to fulfil the listing requirements of the CSE.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the potential inability of the Company to continue as a going concern; risks associated with potential governmental and/or regulatory action with respect to the Company's operations; the Company's inability to complete the Proposed Transaction; the inability of the Resulting Issuer to carry out the business of Ultron; the inability of the Company to effect a Conversion; the inability of Ultron to complete the Ultron Private Placement; the ability of Ultron and the Company to file the Listing Statement; and the risks associated with the Company's ability to meet CSE listing guidelines.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the

plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

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CNW 16:45e 16-FEB-23