

Fantasy 360 Signs Binding Share Purchase Agreement To Acquire Synthesis VR Inc.

Strategic acquisition by Fantasy 360 adds an innovative company with a leading location-based virtual reality content store and technology engine powering approximately 300 global locations

Vancouver, British Columbia--(Newsfile Corp. - January 6, 2022) - Fantasy 360 Technologies Inc. d/b/a Immersive Tech ("**Immersive Tech**", "**Fantasy 360**", or the "**Company**") (CSE:VRAR) (FSE:79W) (OTCQB: FNTTF) is pleased to announce, further to its press release dated September 20, 2021, that it has entered into a binding share purchase agreement dated January 4, 2022 (the "**SPA**") pursuant to which it shall acquire 100% of the equity interests of California-based Synthesis VR Inc. ("**Synthesis VR**") (the "**Transaction**"). Synthesis VR is a leading Location-based Virtual Reality ("**VR**") content store and technology engine empowering approximately 300 out-of-home entertainment locations worldwide with over 17,000,000 minutes played in 2021, an 81% increase over 2020 despite market headwinds from the global pandemic. Synthesis VR serves more than the Location-based entertainment industry, but also operates a broader sandbox platform serving the education and enterprise sectors as well. The Synthesis VR software engine provides everything the modern VR arcade and Family Entertainment Center needs to power their VR experiences, a vital component of many locations internationally.

Transaction Highlights:

- Provides Fantasy 360 with leading software and distribution capabilities that the Company expects will accelerate growth in the fast growing \$148 Billion VR/AR market
- Synthesis VR is the only platform that supports Free Roam, Room-Scale, and Android- based tetherless Virtual Reality entertainment, a Gold Standard for VR arcade operators
- Synthesis VR provides over 325 Games and other experiences available through its extensive content catalogue
- Synthesis VR supports almost 300 entertainment center clients with locations across North America, Europe, India, South East Asia and Latin America
- Synthesis VR development partners include: KAT VR, bHaptics, ImSim, Codemasters, Survios, nDreams, Secret Location, Schell Games, Resolution Games, Wanadev, Never Bored and SUPERHOT among others
- Synthesis VR has seen over 17,000,000+ minutes played in 2021 across the network, an 81% increase over 2020 despite market headwinds from the global pandemic
- Synthesis VR software platform manages all guest bookings, payment processing, game licensing which supports multiple billing options such as pay per minute, monthly and a combination of both, self-serve in headset game launcher,

membership & player tracking, leaderboards, that include email offers directly targeted to the client and many more client friendly offerings.

- Synthesis VR brings an experienced management team led by CEO A Shabeer Sinnalebbe and CTO Kamen Petrov

VR and augmented reality (“AR”) is rapidly transforming every aspect of people’s lives and businesses including paradigm shifts in entertainment, retail, manufacturing, healthcare, training and education industries. In a recent report titled “Seeing is believing” published by PwC, it was predicted that the VR/AR industry would grow from \$148.5B in 2021 to contributing an estimated \$1.5 Trillion to the global economy by 2030 with Out-of-Home entertainment playing a major part in this growth.

“We are pleased to have executed on our acquisition strategy and believe Synthesis VR will prove to be a market leader with its sophisticated technology engine, as already evidenced by its impressive user growth and engagement in 2021.” said Tim Bieber, Fantasy 360 CEO. “Fantasy 360 and Synthesis VR have very complementary assets and skill sets, and we look forward to working with their experienced team and leading VR technology platform to further accelerate growth. By also integrating their VR technology with our UNCONTAINED platform, we can further capitalize on the growing VR industry and gaming trends to create a next-gen Immersive Entertainment Platform.”

A Shabeer Sinnalebbe, CEO of Synthesis VR states “We at Synthesis VR are very excited to be joining the Fantasy 360 team. As we continue to develop our platform, this acquisition will allow our products and offerings to reach an even larger market, as we capitalize on synergies with Fantasy 360’s platform, clients and objectives. We are excited for our growth prospects as we continue to build our vision and capitalize on the growth of the VR industry.”

Terms of the Acquisition

Pursuant to the terms of the SPA, the Company will, subject to the satisfaction of certain closing conditions, acquire 100% of the equity interests of Synthesis VR for aggregate upfront consideration of \$4,800,000 (the “**Upfront Purchase Price**”). The Upfront Purchase Price is payable as follows: (i) \$500,000 in cash with: (A) \$150,000 payable on the date of closing of the Transaction (the “**Closing Date**”); (B) \$50,000 payable on the later of January 31, 2022 and the Closing Date; and (C) \$200,000 payable upon the earlier of the completion of certain financing objectives of the Company and May 1, 2022; and (D) \$100,000 payable upon the earlier of the completion of certain additional financing objectives of the Company and December 31, 2022; and (ii) 12,285,714 common shares of the Company (“**Fantasy 360 Shares**”) with an aggregate value of \$4,300,000 at a deemed price per Fantasy 360 Share equal to \$0.35, which such shares subject to contractual escrow with tranching release over a period of 20 months. In connection with the transaction, the Company also agreed to pay an aggregate of \$288,000 in finder’s fees payable by the issuance of 822,857 common shares in the capital of the Company at a deemed price per share of \$0.35. In addition, subject to applicable laws and approval of the CSE, in addition to the Purchase Price, Fantasy 360 has agreed to pay the Vendors up to \$5,000,000, payable through the issuance of Fantasy 360 Shares or by cash, subject to and upon the achievement of certain mutually agreed upon performance milestones over two separate earn-out periods. For each earn-out tranche, subject to achievement of specified milestones during

the respective milestone period, the Company will pay the Vendors an aggregate of \$2,500,000 payable through cash or the issuance of Fantasy 360 Shares at a price equal to the 10 trading day volume weighted average price of the Fantasy 360 Shares ending on last day of the respective earn-out period.

The team behind Fantasy 360 Technologies is a blend of accomplished executives coming together under CEO, Tim Bieber (BroadbandTV, CBS Interactive), Director of Franchise Development, Steven Dooner (The VOID, Walt Disney Imagineering, Universal Studios Japan), Kevin Williams (Walt Disney Imagineering, Spider Entertainment), Dan Burgar (VRAR Association President, Shape Immersive), Lance Priebe (co-founder Club Penguin, Disney Interactive) as well as its Directors Alvin Wang Graylin (HTC China President, Virtual Reality Venture Capital Alliance President).

On behalf of the Board of Directors

Tim Bieber, Director and Chief Executive Officer
Fantasy 360 Technologies Inc. d/b/a Immersive Tech
<https://www.immersivetech.co/>

For further information about Fantasy 360, please contact:

Contact - Tim Bieber
Email: investors@immersivetech.co
Telephone: +1-604-283-3029

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ABOUT FANTASY 360 TECHNOLOGIES INC. D/B/A IMMERSIVE TECH

Fantasy 360 Technologies is building the Physical Metaverse through its location-based Platform. Since 2016 the Company has been an industry leader in Social Entertainment, Virtual Reality (VR) and Augmented Reality (AR) entertainment attractions. With its Hardware Platform [UNCONTAINED](#) and its Software Platform Uncontained/OS, the company helps its stakeholders build user experiences unmatched in realism, depth and immersion. The company builds experiences on its platforms for some of the world's largest companies including: Intel, Bayer, Capital One, Scotia Bank, the US Food and Drug Administration, Allegiant Airlines and more.

ABOUT SYNTHESIS VR

The Synthesis VR journey began in 2015 as a pursuit to create the perfect Location-Based Virtual Reality ("LBVR") experience for operators and consumers. The team was hard at work prototyping a flexible software solution capable of serving the LBVR segment in many different ways. Soon their efforts grew into establishing one of the very first VR arcades in the world (VR TERRITORY),

based in Los Angeles which was opened in June 2016, where all Synthesis VR products were initially tested before release, in real conditions, and with real customers.

From those modest beginnings, Synthesis VR has made a profound impact on VR and has grown into a global company with offices located in North America and Europe. Its portfolio is in use by 300 locations all over the world, achieving many important industry firsts along the way. Synthesis VR today delivers solutions for a vast number of business scenarios, including but not limited to room-scale, free roam, racing simulators, coin-op, online widgets and payments, education, online business VR environments, enterprise and many more.

Synthesis VR is on an exciting journey to provide the next generation of premium Free-Roam, e-Sport, and Racing content. Our efforts are accompanied by extensive work done in the field of Room Scale experiences and the standalone Head-Mounted Display (HMD) platforms. We are focused and highly motivated to unleash the LBVR potential and to create additional value on a global scale for the Virtual Reality location-based business segment. For more information about Synthesis VR, please Visit: <https://www.synthesisvr.com/>

FORWARD-LOOKING INFORMATION

This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking information”) within the meaning of applicable securities laws. Such forward-looking statements may, without limitation, be preceded by, followed by, or include words such as “believes”, “expects”, “anticipates”, “estimates”, “intends”, “plans”, “continues”, “project”, “potential”, “possible”, “contemplate”, “seek”, “goal”, or similar expressions, or may employ such future or conditional verbs as “may”, “might”, “will”, “could”, “should” or “would”, or may otherwise be indicated as forward-looking statements by grammatical construction, phrasing or context. All statements other than statements of historical facts contained in this news release are forward-looking statements. Forward-looking information in this news release includes, without limitation, statements regarding the future plans and objectives of the Company, the acquisition of Synthesis VR and its business, execution of business strategy, future performance and future growth, business prospects, synergies and opportunities of Fantasy 360 and Synthesis VR and their related subsidiaries, the Company’s expansion initiatives and pursuit of M&A activity, and other factors beyond the Company’s control.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made, including, but not limited to, the Company being able to complete the Transaction as presently expected, the Company being able to capitalize on the services and business of Synthesis VR, the ability of Synthesis VR to maintain its business as presently contemplated, the ability of Synthesis to continue to retain service providers and customers, the ability of Synthesis to provide services in accordance with applicable laws and regulations, the business and future business of Synthesis and synergies with the Company’s operations, and such other assumptions presented in the Company’s disclosure record. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated. There can be

no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information herein is qualified in its entirety by this cautionary statement, and Fantasy 360 disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.