

XR Immersive Tech Closes Acquisition of Synthesis VR Inc.

Strategic acquisition adds innovative company with a leading location-based virtual reality content marketplace and technology engine to accelerate growth in Metaverse opportunities

Vancouver, British Columbia--(Newsfile Corp. - February 22, 2022) - XR Immersive Tech Inc. ("**Immersive Tech**", or the "**Company**") (CSE:VRAR) (FSE:79W) (OTCQB: FNTTF) is pleased to announce, further to its press releases dated January 6, 2022 and September 20, 2021 that it has completed the acquisition of 100% of the equity interests of California-based Synthesis VR Inc. ("**Synthesis VR**") (the "**Transaction**"), through the payment of cash and issuance of common shares of the Company ("**Shares**") pursuant to a share purchase agreement dated effective January 4, 2022 between the Company, as purchaser, and the holders of the equity interests of Synthesis VR, as vendors (the "**SPA**").

Tim Bieber, CEO of Immersive Tech states "With the acquisition of Synthesis VR, the Company believes it represents a new standard for excellence within the VR/AR industry. Not only does Synthesis VR serve the location-based entertainment industry, it also operates a broader sandbox platform serving the education and enterprise sectors, which together we believe gives the Company outstanding opportunities for growth and to accelerate our overall business opportunities. With the addition of the Synthesis VR team, including co-founders Shabeer Sinnalebbe and Kamen Petrov, the Company has an even stronger team with both depth and breadth of VR expertise in which to deliver innovation across a number of new industry sectors and expand our VR offerings."

Shabeer Sinnalebbe, Head of XR Networks and former CEO of Synthesis VR states "We are extremely pleased to join the Immersive Tech team. This is an exciting time as we come together to realize our common objective of building a premier VR business for the Metaverse. Not only will we be able to capitalize on the synergies between our businesses and technologies, we will be able to add additional developers and resources to further scale up our Synthesis Network offerings. Our combined bench strength should provide outstanding opportunities to accelerate growth for both companies in the Metaverse."

Kamen Petrov, Head of XR Network Development states "Since its inception, Synthesis has evolved and met numerous challenges and initiatives resulting in the development of several industry leading solutions for our customers. Joining Immersive Tech is an important step to further the company's evolution, as we will benefit from our combined technical and operational expertise to pursue existing opportunities and expand our joint vision for the future."

The team behind XR Immersive Tech 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).

Terms of the Acquisition

Pursuant to the terms of the SPA, the Company acquired 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) \$200,000 payable on the date of closing of the Transaction, being February 18, 2022 (the “**Closing Date**”); (B) \$200,000 payable upon the earlier of the completion of certain financing objectives of the Company and May 1, 2022; and (C) \$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 Shares with an aggregate value of \$4,300,000 at a deemed price per Share equal to \$0.35, which such Shares subject to contractual escrow with tranching release over a period of 20 months. In addition, subject to applicable laws and approval of the CSE, in addition to the Purchase Price, Immersive Tech has agreed to pay the Vendors up to \$5,000,000, payable through the issuance of 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 Shares at a price equal to the 10 trading day volume weighted average price of the Shares ending on last day of the respective earn-out period.

In connection with the Acquisition, Immersive Tech has agreed to pay a finder’s fee (the “**Finder’s Fee**”) to Vert Consulting Inc. (“**Vert**”) pursuant to a finder’s agreement (the “**Finder’s Agreement**”) dated October 1, 2021 between Immersive Tech and Vert in connection with the Acquisition. Pursuant to the terms of the Finder’s Agreement, the Company will pay to Vert \$288,000 by the issuance of 2,057,142 Shares (the “**Finder’s Shares**”) at a deemed price per Finder’s Share of \$0.14.

On behalf of the Board of Directors

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

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from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.

ABOUT XR IMMERSIVE TECH INC.

Immersive Tech (formerly Fantasy 360 Technologies Inc.) is building the industry's premier location-based Metaverse 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 and its growing network of over 300 VR operators through Synthesis VR,, 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, eSport, 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,

development initiatives, business prospects, synergies and opportunities of Immersive Tech 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 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 VR to continue to retain service providers and customers, the ability of Synthesis VR to provide services in accordance with applicable laws and regulations, the business and future business of Synthesis VR, synergies with the Company's operations and development initiatives, 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.

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