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### SWMBRD Announces Settlement of Debt and Provides Update on Previously Announced Financing

VANCOUVER, BC, January 12, 2024: SWMBRD Sports Inc. (CSE: SWIM) ("SWMBRD" or the "Company") announces today that it intends to enter into settlement agreements to settle an aggregate amount of \$97,200.00 of indebtedness (the "**Debt Settlement**") through the issuance of an aggregate of 3,240,000 units (the "**Settlement Units**") at a deemed price of \$0.03 per Settlement Unit. Each Settlement Unit consists of one common share (the "**Common Shares**") in the capital of the Company and one Common Share purchase warrant exercisable at \$0.075 for a period of two years from closing. The Debt Settlement transaction is anticipated to close on or around January 19, 2024.

The indebtedness relates to fees for services performed by certain insiders of the Company ("**Creditors**") from May 1, 2023 through to September 30, 2023. The Company will enter into debt settlement agreements with each Creditor in connection with the Debt Settlement.

The issuance of the aggregate of 3,240,000 Settlement Units to certain insiders of the Company constitutes a "related party transaction" as such term is defined in Multilateral Instrument 61-101- *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"). The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of such Settlement Shares nor the debt exceeds 25% of the Company's market capitalization.

The Company further announces, pursuant to the news release dated October 11, 2023, the terms of the previously announced private placement (the "**Private Placement**") have been amended. The Company has received approval by the Canadian Securities Exchange to amend the price of the units from \$0.03 to \$0.015 per unit (the "**Financing Units**").

Each Financing Unit will consist of one Common Share in the capital of the Company and one Common Share purchase warrant (each, a "**Warrant**"). Each Warrant will entitle the holder to acquire one additional Common Share at a price of \$0.05 per Common Share, for a period of two years from the date the Financing Units are issued. The Private Placement is anticipated to close on or around January 31, 2024.

The Debt Settlement transaction and Private Placement are both subject to Canadian Securities Exchange acceptance. The Settlement Units and Financing Units will be subject to a four-month and one-day hold period in accordance with applicable securities laws.

None of the securities acquired will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news

release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

### **About SWMBRD Sports Inc.**

SWMBRD Sports Inc. is a Vancouver, B.C. based sporting goods company looking to enable millions to rethink their way of recreating in the water. Management believes that SWMBRD's proprietary aquatic sports board, by virtue of its patented design, is revolutionary in how it empowers the human body in the water like nothing before, giving water lovers of all ages and abilities the freedom to explore all aquatic environments with ease. By offering an aquatic board sport that is versatile, easy to use, easy to store, and which can be used by all ages and body types in any body of water (rivers, oceans, lakes and pools), the Company believes SWMBRD and the sport of swimboarding has the potential to become one of the most popular board sports in the world, and a great aquatic brand. The Company has refined manufacturing techniques most relevant to the SWMBRD and has successfully produced demonstration fleets of fully functioning boards, which have been in rigorous real-world use in Hawaii, Canada and Greece. The Company has now commenced large scale mass production under an OEM agreement with Take Outdoors, Vannes, France - the preeminent board sport manufacturer in Europe.

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### Forward-Looking Statements

Certain statements in this press release are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Such statements are qualified in their entirety

by the inherent risks and uncertainties surrounding the Company's business plan with respect to the engagement of the Executives and the Consultants and the services to be provided to the Company; the grants of RSUs; the anticipated commercial production and sale of its SWMBRDs; the Company's plan to *develop its brand and the sport of swimboarding; and those additional risks set out in the Company's public documents filed on SEDAR at [www.sedar.com](http://www.sedar.com). Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

*The Canadian Securities Exchange has not reviewed or approved the contents of this news release.*