

TAAT® to Acquire Break Free™ Smoking Cessation Mobile App

LAS VEGAS and VANCOUVER, MARCH 3, 2023 - TAAT® GLOBAL ALTERNATIVES INC. (CSE: TAAT) (OTCQX: TOBAF) (FRANKFURT: 2TP) (the “Company” or “TAAT®”) is pleased to announce that it has entered into a definitive agreement dated December 14, 2022 and as amended by amending agreement dated March 1, 2023, with Boksburg Ventures Inc. (“Boksburg”), an arm’s-length party, to acquire *Break Free*™ (the "Proposed Transaction"). *Break Free*™ is a smartphone application (the "App" or "Break Free") utilizing multiple patent-pending mechanisms to holistically analyze the behaviours of adult smokers for the purpose of providing cessation strategy recommendations. No finder’s fee is payable in connection with the Proposed Transaction. The Proposed Transaction is subject to the approval of two-thirds of the votes cast at the Boksburg shareholders meeting to be held on April 10, 2023. The Proposed Transaction is not subject to TAAT® shareholder approval. The Company anticipates that Break Free™ could play a strategic role in the marketplace positioning of its flagship product TAAT®, a nicotine-free and tobacco-free alternative to tobacco cigarettes. TAAT® is presently sold in thousands of retail stores across the United States, as well as online through the TryTAAT.com shopping portal.

Break Free™ Summary

Break Free™ is an iOS and Android based mobile application that uses a holistic approach to first monitor and track smoking related habits of adult tobacco users, analyze the habits, and then suggest customized changes that are specific to each adult smoker to ensure personalized care and attention. The Break Free™ mobile app uses state-of-the-art technologies, including a companion diagnostics module to help adult smokers personalize and customize the use of currently available FDA-approved smoking cessation devices, augmented and virtual reality mental health simulations, and circadian rhythm sensors to monitor actigraphy, sleep/wake cycles, and snoring to help adult tobacco users quit smoking.

The App has not been made available to consumers for use at this time, and remains subject to further development. Upon completion of the Proposed Transaction, TAAT® plans to complete the development of the App for use by consumers on the Android and iOS smartphone platforms by integrating additional features that are currently under patent applications (the "Pending Patents") with the U.S. Patent and Trademark Office. The schedule of development of the App remains subject to the progress of the Patents applications and budget requirements.

The App is currently at the prototype stage of development. Alpha testing is currently being performed by the software development team. The App developers are nearing the midpoint phase of Alpha testing. The Alpha testing includes running all the operational modes of the App one at a time and debugging and correcting any discovered errors. Outside contractors are being used to proofread content and perform some functionality testing.

Below is a summary of the Pending Patents, which may or may not be integrated into the final App version:

Patent Pending Serial No. 17/857,095 covers a nicotine tobacco cessation digital device mobile application configured to assist a smoker in breaking a nicotine addiction and tobacco habit using a holistic approach with interactive connectivity to vital signs, social media group support and virtual reality gaming mental health tools.

Patent Pending Serial No. 17/857,097 covers a nicotine tobacco cessation digital device mobile application configured to assist a smoker in breaking a nicotine addiction and tobacco habit using companion diagnostics with personalized assistance for FDA approved products.

Patent Pending Serial No. 17/857,100 covers a nicotine tobacco cessation digital device mobile application configured to assist a smoker in breaking a nicotine addiction and tobacco habit using a holistic approach with interactive connectivity to circadian rhythm wake and sleep patterns.

Proposed Acquisition

Subject to approval by at least two-thirds of the votes cast at Boksburg's shareholders meeting scheduled on April 10, 2023 ("**Boksburg Shareholder Approval**"), the Company has agreed to issue to Boksburg on closing an aggregate of 17 million common shares of TAAT® (the "**Consideration Shares**") at a deemed value of \$0.3225 per Consideration Share as consideration for Break Free™ and \$3.6 million of working capital. The Company is not assuming any liabilities of Boksburg and is assuming the Break Free™ asset free and clear of any liens or encumbrances. In determining the fair market value of Break Free™, an independent valuator applied the Multi-Period Excess Earnings Method ("MPEEM"), an income-based approach.

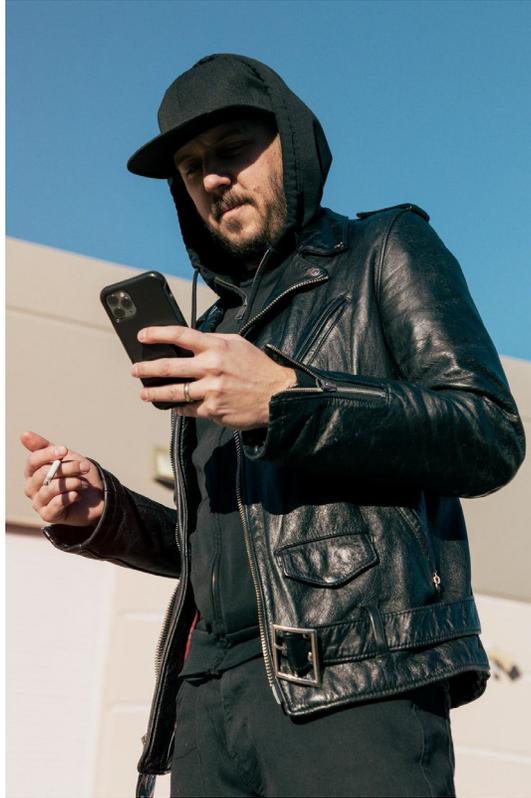
The Consideration Shares are comprised of: 1) 11,162,791 Consideration Shares which shall be issued on the closing of the Proposed Transaction (the "**Closing Consideration Shares**") and be subject to a four (4) month and one (1) day hold period from the date of issuance, and 2) 5,837,209 Consideration Shares which shall be issued on the closing of the Proposed Transaction (the "**Milestone Consideration Shares**"), but subject to escrow. The number of Milestone Consideration Shares and milestones applicable to the escrow releases are as follows:

- 1/3 of the Milestone Consideration Shares shall be released on the later of: (i) 6 months from the closing date; and (2) the launch of the BreakFree mobile application in either the Apple or Google App stores and the completion of a minimum of 1,000 downloads (the "**Milestone #1**"). In the event Milestone #1 is not achieved within 36 months from closing, then the Milestone Consideration Shares allocated for Milestone #1 shall be returned to the TAAT® treasury for cancellation.

- Next 1/3 of the Milestone Consideration Shares shall be released on the later of: (i) 6 months, from the closing date; and (ii) the receipt of a minimum of 1 out of 3 US patents surrounding intellectual property and filed (the "**Milestone #2**"). In the event Milestone #2 is not achieved within 36 months from closing, then the Milestone Consideration Shares allocated for Milestone #2 shall be returned to the TAAT® treasury for cancellation.
- Remaining 1/3 of the Milestone Consideration Shares shall be released on the later of: (i) 6 months from the closing date; and (ii), the achievement of a minimum of CAD \$600,000 in revenue directly from the app (the "**Milestone #3**"). In the event Milestone #3 is not achieved within 24 months from closing, then the Milestone Consideration Shares allocated for Milestone #3 shall be returned to the TAAT® treasury for cancellation.

The Company is relying on the Asset Acquisition Prospectus Exemption, pursuant to Section 2.12 of National Instrument 45-106. The closing of the Proposed Transaction remains subject to Boksburg Shareholder Approval among other standard closing conditions set out in the definitive agreement. With respect to the Company, neither a fundamental change, change of business, nor change of control (as those terms are defined in Canadian Securities Exchange Policy 8) will result upon closing of the Proposed Transaction.

Although the Company expects the Proposed Transaction to close shortly after Boksburg obtains Boksburg Shareholder Approval, until such approval is obtained, the CSE is satisfied with Taat's disclosure of the Proposed Transaction, and other closing conditions are satisfied, there can be no assurance that the Proposed Transaction will be completed.



The Break Free™ smartphone application, which is expected to be available on Apple and Android handsets in the United States, can potentially assist adult smokers in taking control of their relationship with nicotine.

Readers using news aggregation services may be unable to view the media above. Please access SEDAR or the *Investor Relations* section of the Company's website for a version of this press release containing all published media.

On behalf of the Board of Directors of the Company,

TAAT® GLOBAL ALTERNATIVES INC.

"Michael Saxon"

Michael Saxon, CEO and Director

For further information, please contact:

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About TAAT® Global Alternatives Inc.

TAAT® is a vertically integrated consumer product and distribution company, generating more than CAD \$90 million in overall gross revenue annually. TAAT® is strategically expanding its product categories including tobacco and reduced-risk alternatives, hemp, kratom, and other emerging CPG segments. TAAT® has facilities to include a processing plant in Nevada as well as a distribution centre in Canton, Ohio, leveraging existing retail shelf space and pipelines into national wholesale channels.

For more information, please visit <http://taatglobal.com>.

Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Often, but not always, forward-looking information and information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur, or be achieved. Forward-looking information in this news release includes statements regarding the anticipated performance of TAAT® in the tobacco industry, in addition to the following: Anticipated completion of the Company’s acquisition of the Break Free™ smartphone app and corresponding intellectual property from Boksburg Ventures Inc., anticipated development schedule of the App, potential success and impact of the Break Free™ smartphone app as an offering under the TAAT® brand, and potential benefits to the Company’s financial position as a result of the acquisition. The forward-looking information reflects management’s current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking information. Although the Company believes that the assumptions and factors used in preparing the forward-looking information are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed timeframes or at all. Factors that could cause actual results or events to differ materially from current expectations include: (i) adverse market conditions; (ii) changes to the growth and size of the tobacco markets; (iii) changes to the regulatory landscape applicable to the Company’s business; and (iv) other factors beyond the control of the Company. The Company operates in a rapidly evolving environment. New risk factors emerge from time to time, and it is impossible for the Company’s management to predict all risk factors, nor can the Company assess the impact of all factors on Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking information. The forward-looking information included in this news release are made as of the date of this news release and the Company expressly

disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law.

The statements in this news release have not been evaluated by Health Canada or the U.S. Food and Drug Administration. As each individual is different, the benefits, if any, of taking the Company's products will vary from person to person. No claims or guarantees can be made as to the effects of the Company's products on an individual's health and well-being. The Company's products are not intended to diagnose, treat, cure, or prevent any disease.

This news release may contain trademarked names of third-party entities (or their respective offerings with trademarked names) typically in reference to (i) relationships had by the Company with such third-party entities as referred to in this release and/or (ii) client/vendor/service provider parties whose relationship with the Company is/are referred to in this release. All rights to such trademarks are reserved by their respective owners or licensees.

Statement Regarding Third-Party Investor Relations Firms

Disclosures relating to investor relations firms retained by TAAT® Global Alternatives Inc. can be found under the Company's profile on <http://sedar.com>.