

AMPD VENTURES INC.

News Release

AMPD CEO PROVIDES CORPORATE UPDATE AND OUTLOOK FOR Q1 2021

Vancouver, British Columbia – Thursday, February 4th, 2021 – AMPD Ventures Inc. (“AMPD” or the “Company”, CSE: AMPD; FRA: 2Q0), is pleased to provide its first quarterly update of the new year, providing an update on the progress made during 2020, as well as some glimpses into what the Company sees ahead in 2021.

AMPD is building the next generation of digital infrastructure with its “High Performance Computing at the Edge” platform. AMPD’s approach provides the increased performance and reduced latency required for applications such as virtual production, volumetric capture, animation and visual effects, multiplayer video games including eSports, artificial intelligence, mixed reality, and high-level academic research.

SALES MOMENTUM INCREASES AS 2020 ENDS

“2020 was a challenging year on many fronts for many people and organizations,” said Anthony Brown, CEO at AMPD. “For AMPD, it was the first full year of being a public company and though there were challenges to be faced, the team at AMPD really came through for the company.”

In 2020, AMPD launched its first data center, DC1, and closed deals in each key sector that the company had identified as targets for its next-generation infrastructure offering. In Animation and VFX AMPD launched its AMPD Render Platform with Bardel Entertainment. In conjunction with Canada’s Digital Technology Supercluster, AMPD architected and launched a virtual reality digital twinning platform for an Industry 4.0 project to develop a digital twin of an aerospace manufacturing plant. For Variational AI, AMPD designed and hosted an AI platform based on NVIDIA Corporation GPUs for research into COVID-19 therapeutics. These project examples, including working with tech giants such as Intel, NVIDIA, and AMD to develop AMPD’s new products such as the AMPD Virtual Workstation and the AMPD Flexible Edge systems, made for an exceptionally productive year.”

“While it’s true that we would have liked to have seen more growth from a revenue perspective in 2020,” says Brown, “we were able to transition the company from a one-time technology sales model to primarily supplying platforms with multi-year monthly recurring revenue contracts. This, of course, extends the value of those engagements over multi-year terms, and increases operating margins.”

“Sales cycles seemed to extend during 2020 due to the uncertainty that many businesses were facing that made purchasing decisions difficult, but this seems to have resulted in a build up of demand for the type of platforms we are developing,” added Brown. “If January 2021 is any indication, it appears that we are starting to see that pent up demand being converted into a noticeable uptick in sales inquiries and engagements compared with December and significant growth in our sales pipeline.”

Sales for FY2021 already stand at 90% of the full year total of CAD \$1.2 million for fiscal 2020 (ended May 31, 2020), with sales for the third fiscal quarter (ending Feb 28, 2021) already showing a 51% increase compared with the previous quarter. AMPD’s gross profit (CAD \$455,804) for the first six months of fiscal 2021 is approaching the gross profit for the whole of fiscal 2020 (CAD \$472,304).

INCREASED FOCUS ON VIRTUAL PRODUCTION

In January 2021, AMPD announced the launch of the AMPD Flexible Edge system with its first customer, Versatile Media, and increased its focus on Virtual Production with Versatile, as well as another Virtual Production company based in eastern Canada who made a first purchase of over \$120,000 of equipment from AMPD.

The focus on Virtual Production continued with AMPD’s agreement with Alberta-based LED supplier, LIGHTVU Inc., through which AMPD will supply high-end virtual production-focused LED wall technology to AMPD customers.

“In addition to their role in modern movie making, we see virtual production and volumetric capture as instrumental in the creation of the content for the Metaverse – the type of fully immersive shared 3D worlds envisaged in novels and movies such as Eric Cline’s *Ready Player One* and Neal Stephenson’s *Snow Crash*. The Metaverse is becoming a reality, with AMPD customers such as Versatile Media and ShoCap Entertainment contributing to its development in meaningful ways. It is anticipated that the Metaverse will require vast amounts of computing power to create and operate as it becomes increasingly intertwined with entertainment, commerce, education and industry – in fact, with all facets of modern life” says James Hursthouse, AMPD Chief Strategy Officer, and a co-author of ‘The Metaverse Roadmap’ (2007). AMPD’s High Performance Computing at the Edge approach is designed to reduce latency and increase performance for these types of applications.

The company was pleased to participate in the ‘Into the Metaverse’ conference in January 2021, hosted by VentureBeat, and attended by over 1600 people. On September 30th, 2020, AMPD hosted a panel with industry luminaries in the field of virtual production at the VRAR Global Summit virtual event and is expected to host a panel on the subject of virtual production at the SPARK FX Conference in March 2021.

About AMPD Ventures Inc.

AMPD specializes in providing high-performance cloud and computing solutions for low-latency applications, including video games and eSports, digital animation and visual effects, and big data collection, analysis, and visualization.

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ “*Anthony Brown*”

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Cautionary Statement

Certain statements made herein may contain forward-looking statements or information within the meaning of the applicable Canadian securities laws. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements or information herein include, but are not limited, to statements or information with respect to agreements or partnerships or future agreements or partnerships, future potential partners and strategic alliances, increases in sales efforts, expected financial results and profitability, any future conference attendance, the expected developments in the visual effects industry, and the development of the Metaverse.

Forward-looking statements and forward-looking information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. We have made certain assumptions about the forward-looking statements and information, including statements or information with respect to agreements or partnerships or future agreements or partnerships, future potential partners and strategic alliances, increases in sales efforts, expected financial results and profitability, future conference attendance, the expected developments in the visual effects industry, and the development of the Metaverse, as well as the anticipated positive impact on AMPD’s business. Although our management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate. Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. These risks, uncertainties and other factors include, inability to finalize future agreements or partnerships, inability to attract future partners or strategic alliances, the inability to secure sufficient working capital for the business, the expected developments in the visual effects industry and the development of the Metaverse happening more slowly than anticipated or not at all, and those factors discussed in the section entitled “Risk Factors” in the Company’s Form 2A Listing Statement dated October 17, 2019 and “Risk and Uncertainties” in the Company’s most recent Management Discussion and Analysis filed on SEDAR.

There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on the forward-looking statements or information contained herein. Except as required by law, we do not expect to update forward-looking statements and information continually as conditions change and you are referred to the full discussion of the Company’s business contained in the Company’s reports filed with the securities regulatory authorities in Canada.

All forward looking statements and information contained in this News Release are qualified by this cautionary statement.