



AMPD VENTURES INC.

News Release

AMPD Signs Letter Of Engagement With Versatile Media For Multi-Year Virtual Production Infrastructure Deal

Vancouver, British Columbia – August 20th, 2020 – AMPD Ventures Inc. (“AMPD” or the “Company”, CSE: AMPD; FRA: 2Q0) is pleased to announce that it has signed a letter of engagement with Versatile Media LTD (“Versatile”) outlining the framework for a multi-year definitive agreement through which AMPD is expected to provide technology, infrastructure, and services to Versatile in the rapidly burgeoning virtual production sector.

Under the terms of the engagement, it is expected that AMPD will provide the on-premise technology requirements for Versatile’s initial 12,000 sq. ft. studio, as well as provide on-going data centre-based rendering and other hosted infrastructure. Once a definitive agreement is entered into, the deal could generate revenue for AMPD of approximately \$1.6M over the next 36 months.

Versatile is a creative production studio developing a brand new 12,000 sq. ft purpose-built virtual production facility in Vancouver, BC, Canada. Versatile is the North American arm of Versatile Media Asia, a company with over 25 years of experience in full digital movie production, and a pioneer in virtual production techniques.

Virtual production is expected to result in a major shift in the way that movies and TV shows are made because it provides creators with a way to see, engage with, and shoot final VFX imagery at the same time as principal photography. With virtual production, cameras, actors, and locations maybe completely synthetic but the result, thanks to many recent technological developments, can still largely follow the ‘rules’ of live-action filmmaking.

The process adds another level of creative control for producers and cinematographers, giving them the confidence that they have achieved their creative vision while increasing production efficiency. In addition to the creative advantages offered, COVID-19 has been seen to be accelerating the shift towards virtual production, offering the opportunity for social distancing and smaller crews, while reducing the size and scope of location shoots, set builds, and crowd scenes for the foreseeable future.

“Many virtual production techniques rely on powerful, real-time game development engines that have been the cornerstone of video game production for many years,” said Steven Read, Studio Head at Versatile in Vancouver. “AMPD’s technical expertise across both the video game and visual effects sectors, and this current convergence of the two industries mean that AMPD is the ideal technology partner for virtual production facilities such as the one we are building in Vancouver. We are also launching our Virtual Scouting technology enabling studios to volumetrically capture a location and share it remotely with studios through conferencing and in VR. AMPD’s technology will also be a key contributor to launching that program.”

“I am thrilled that Versatile has recognized AMPD as the right company to provide the technology and infrastructure as they grow their business here in North America,” said Anthony Brown, CEO of AMPD. “Our goal at AMPD is always to provide bespoke high-performance compute and cloud solutions for our customers. We have been developing an optimal virtual production environment with

Versatile that integrates their studio and our data centre so that they can focus on creative genius, while we ensure everything runs optimally from a technical perspective.”

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.

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About Versatile Media Vancouver

Versatile Media Vancouver is a creative production studio developing a brand new 12,000 sq. ft purpose-built virtual production facility in Vancouver, BC, Canada. Versatile is the North American arm of Versatile Media Asia, a company with over 30 years of experience in full digital movie production, and a pioneer in virtual production techniques.

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ “Anthony Brown”

Anthony Brown

CEO & Director

Tel: 604-332-3329

AMPD Ventures Inc.

The CSE does not accept responsibility for the adequacy or accuracy of this release.

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 entering into the multi-year definitive agreement with Versatile contemplated in the letter of engagement and the terms thereof, the expected revenue from the definitive agreement, the anticipated services of AMPD to be provided to Versatile, and the future use and benefits of virtual production.

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 the ability to finalize and execute the definitive agreement with Versatile, and the terms therein, the long term financial viability of Versatile as an AMPD customer, the expected revenue generated, and the shift in the visual effects industry. 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, but are not limited to, the inability to finalize and execute the anticipated definitive agreement with Versatile, the inability to meet the technical requirements of Versatile, the long term financial viability of Versatile as an AMPD customer, the expected shift in the visual effects industry to virtual production techniques not happening as quickly as expected or at all, as well as 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.