

# AMPD Ventures Expands on Strategic Reorganization

## News Release

**Vancouver, British Columbia – 3 July 2023 – AMPD Ventures Inc.** (CSE: AMPD) (OTCQB: AMPDF) (FRA: 2Q0) (“**AMPD Ventures**” or the “**Company**”) is pleased to provide an update on its ongoing internal reorganization.

As announced on March 15<sup>th</sup>, AMPD Ventures Inc. determined that it was in the best interest of shareholders to refocus its attention and resources on digital content creation studios and services, to support the continued growth of, and the opportunity represented by, its majority-owned subsidiary, Departure Lounge Inc. (“**Departure Lounge**”).

To that end, AMPD Ventures is pleased to announce that it continues to work towards the completion of the acquisition of a world-leading, profitable, animation and performance capture studio, as announced on January 5<sup>th</sup>. AMPD Ventures believes that the target company provides significant synergistic benefits with Departure Lounge and technology know-how developed to date and that the target company’s long-term, proven track record of success with some of the largest players in the industry will put the AMPD group on a sustainable path of profitability. As announced, the acquisition is expected to be funded through long-term low-cost bank debt and shares, at terms which management believes are beneficial to shareholders.

“The acquisition, as outlined in the non-binding Letter of Intent (“**LOI**”) announced in January, would be transformative for the company,” says Anthony Brown, Interim CEO at AMPD Ventures Inc. “Combining the early successes of the Departure Lounge studio, such as the CIMA award-winning Monstercat Music Video, “The Dark”, with a studio that has a decade-long track record of successful film, television, and video game projects, helps bring our next-generation content creation technology to the industry with a company that has a long-term, proven track record of success.”

In light of the reorganization, and to further reduce the AMPD group’s monthly cash burn, AMPD’s subsidiary, AMPD Technologies Inc. (“**AMPD Technologies**”) has made a voluntary assignment into bankruptcy under the *Bankruptcy and Insolvency Act (Canada)*. Crowe and MacKay Inc. (the “**Trustee**”) has been appointed as AMPD Technologies’ trustee in bankruptcy. AMPD Ventures’ board of directors has determined that bankruptcy is in the best interests of AMPD Technologies and its stakeholders. This process, which will help AMPD Ventures Inc. focus on areas where growth is strongest, is not expected to directly impact AMPD Ventures’ relationships with its creditors or other counterparties.

AMPD Ventures Inc. maintains certain important vendor relationships, such as the Cloud Service Provider (“**CSP**”) partnership with NVIDIA, which has seen massive recent increases in value due to its focus on artificial intelligence-based computing solutions, including for the creative industries. AMPD Ventures Inc. plans to embrace a full range of generative AI solutions as it continues to develop its offerings for digital content creation studios and services. AMPD Ventures Inc. seeks to have certain contracts underlying these partnerships assigned from AMPD Technologies to AMPD Ventures. AMPD Ventures remains committed to its core values of innovation, excellence, and integrity and does not believe that the bankruptcy of AMPD Technologies will affect the ability of AMPD Ventures to be successful in its long-term business plans.

“While we believe that the underpinning computing required for digital content creation studios like Departure Lounge is a key differentiator for AMPD Ventures, we must focus on building cutting edge, multi-

technology studios and the pipeline of customers interested in building new virtual production facilities such as the announced Bangkok Thailand facility being built for Cloud 11 with the services of AMPD,” says Brown.

Executives and employees of AMPD Ventures will continue to be contactable at their @ampd.tech email addresses as we begin the migration over to an AMPD Ventures domain. The AMPD Ventures website will be reinstated as soon as practical.

### **About Departure Lounge Inc.**

Supercharged by volumetric capture and other technologies, Departure Lounge Inc., a subsidiary of AMPD Ventures Inc. (CSE: AMPD / OTCQB: AMPDF / FRA 2Q0), offers next-generation media production and creative services. Departure Lounge creates 3D, immersive worlds for every screen from mobile phones to giant LED virtual production walls, and for every sector from film and television production, through immersive training applications to real estate and digital twinning. As a key differentiator, Departure Lounge offers volumetric capture and other synergistic technologies to bring natural, authentic human performances quickly and easily into the new realm of immersive media. Departure Lounge’s main facility occupies over 6,000 sq ft of space at Vancouver’s Centre for Digital Media (“CDM”) and houses the Metastage Volumetric Capture Stage and Move.ai motion capture rig.

For further information about Departure Lounge Inc., please visit <http://www.dlxr.ca> or contact via email at [info@dlxr.ca](mailto:info@dlxr.ca).

### **About AMPD Ventures Inc.**

AMPD Ventures Inc. (“AMPD Ventures”) is focused on building the world’s best suite of tools and technologies for digital content creation and distribution. AMPD Ventures enables companies to enter the next era of the internet through its global leading Metastage facility. Additional information about the company is available on SEDAR.

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### **Cautionary Statement**

#### *Forward-Looking Information*

*This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Forward-looking statements are based on certain assumptions and expectations regarding future events that involve various risks and uncertainties. These forward-looking statements are identified by the use of words such as "believes," "expects," "intends," "anticipates," "estimates," "plans," "projects," "may," "will," "would," "should," "potential," "strategy," "future," or other similar expressions.*

*Forward-looking statements contained in this press release include but are not limited to, statements regarding the completion of the acquisition of the animation and performance capture studio, the synergistic benefits with Departure Lounge, the sustainable path of profitability, and the ability to focus on areas of growth. The forward-looking statements are based on certain key expectations and assumptions made by AMPD Ventures, including expectations and assumptions concerning the completion of the acquisition on the terms and timing contemplated, the realization of synergistic benefits, and the ability to achieve profitability. Although AMPD Ventures believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because AMPD Ventures can give no assurance that they will prove to be correct.*

*Actual results could differ materially from those currently anticipated due to a number of factors and risks, including but not limited to the failure to complete the acquisition or realize the anticipated benefits, changes in market conditions, competitive factors affecting the industry in which AMPD Ventures operates, and other risks and uncertainties disclosed in the Company's filings with the Canadian Securities Exchange (CSE) and other regulatory authorities.*

*The forward-looking statements contained in this press release are made as of the date hereof and AMPD Ventures undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events, or otherwise, unless so required by applicable securities laws.*

*Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly, should not put undue reliance on forward-looking statements due to the inherent uncertainty therein.*

*Investors are urged to carefully consider the cautionary statements and risk factors disclosed in AMPD Ventures' filings with the CSE and other regulatory authorities before making any investment decisions regarding the Company.*