

Versus Systems Announces Settlement of Debt

LOS ANGELES, CA – January 22, 2021 - Versus Systems Inc. (“Versus” or the “Company”) (Nasdaq: VS) (CSE:VS) (FRANKFURT:BMVB) today announced that it has settled an aggregate of USD \$1,615,057.50 of indebtedness to a non-arm’s length creditor of the Company through the issuance of 215,341 units at a price of USD \$7.50 per unit. Each unit consists of one common share, one unit A warrant and one unit B warrant, each to purchase one common share at \$7.50 (U.S.) per share.

The shares for debt transaction constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") as insiders of the Company will receive 215,341 common shares of the Company in connection with the Debt Settlement. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the shares for debt transaction with the insider does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the debt settlement, which the Company deems reasonable.

The board and management of Versus believe that the proposed Debt Settlement is in the best interests of the Company because it allows the Company to preserve its funds for operations.

About Versus Systems

Versus Systems Inc. has developed a proprietary in-game prizing and promotions engine that allows publishers, developers, and creators of games, apps, and other interactive media content to offer real world prizes inside their content. Players, viewers and users can choose from among the offered prizes and then complete in-game or in-app challenges to win the prizes. The Versus platform can be integrated into mobile, console, and PC games, as well as streaming media and mobile apps.

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