



# **STOMPY BOT CORPORATION**

**1216 Sand Cove Road  
Saint John, New Brunswick E2M 5V8**

## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**  
October 21, 2016

Shares Outstanding: 64,864,202  
Saint John, New Brunswick

### **STOMPY BOT ANNOUNCES CLOSING OF SECOND AND FINAL TRANCHE OF NON-BROKERED PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURES**

Stompy Bot Corporation (the “**Corporation**”)(CSE: BOT) announces that, further to its press release dated August 15, 2016, it has completed the second and final tranche of its previously announced non-brokered private placement private of up to \$200,000 in principal amount of secured convertible debentures (the “**Debentures**”) at a price of \$1,000 and integral multiples thereof per debenture (the “**Offering**”), with each \$1,000 Debenture consisting of 8,000 common share purchase warrants (the “**Warrants**”). Each Warrant shall entitle the holder thereof to acquire one (1) common share in the capital of the Corporation at a price of \$0.05 per common share (the “**Warrant Shares**”) for two (2) years from the date of issue. The Debentures will have an interest rate of 12% per year, calculated semi-annually from their date of issuance and will mature on the date that is one (1) year from the date of issuance. At the option of the holder, principal under the Debenture is convertible (the “**Conversion**”) into common shares of the Corporation (the “**Conversion Shares**”) at a conversion price of \$0.05 per Conversion Share. In connection with the second and final tranche, the Company has issued 115 Debentures and 920,000 Warrants of the Company for total aggregate proceeds of \$115,000. Proceeds of the Offering will be used to fund the development and marketing of the Corporation’s video games, and for general working capital purposes.

The Corporation also announces that it has settled an additional \$35,409.44 of debt through the issuance of 708,188 common shares of the Company at a price of \$0.05 per common share with arms-length and non-arm’s length creditors (the “**Debt Settlement**”).

The Debentures, Warrants, Conversion Shares, Warrant Shares and common shares issued in connection with the Debt Settlement are subject to a statutory four month and one day hold period.

The Offering and Debt Settlement constituted a related party transaction within the meaning of Multilateral Instrument 61-101 (“**MI 61-101**”) as insiders of the Company subscribed for an aggregate of 60 Debentures and 480,000 Warrants, and acquired, directly and indirectly, an aggregate of 336,128 common shares pursuant to 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 participation in the Offering by the insiders 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 second and final tranche of the private placement, which the Company deems reasonable in the circumstances in order to avail itself of the proceeds of the private placement and complete the Offering in an expeditious manner.

## **About Stompy Bot Productions**

Stompy Bot Productions is a wholly owned subsidiary of publicly traded Stompy Bot Corporation (CSE: BOT) – an independent video game developer and digital media publisher. Stompy’s growth strategy is to become a premier independent multimedia publisher. Their indie philosophy is to identify and acquire unique video game properties, apply innovative technologies, game development expertise, partner with movie studio resources and manage entertainment brands through a global media marketing approach. Stompy Bot is the exclusive Heavy Gear digital games license holder and publisher of Heavy Gear Assault, a next generation PC title using Epic Game's latest Unreal Engine 4 technology. For more information visit [www.stompybot.com](http://www.stompybot.com).

### **For further information, please contact:**

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### ***Forward-Looking Information***

*Certain information set forth in this news release may contain forward-looking information that involve substantial known and unknown risks and uncertainties. This forward-looking information is subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including, but not limited to, the impact of general economic conditions, industry conditions, and dependence upon regulatory approvals. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking information. The parties undertake no obligation to update forward-looking information except as otherwise may be required by applicable securities law.*