



Liquid Avatar Technologies Announces Closing of 1st Tranche of Non-Brokered Private Placement

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Toronto, Canada — July 15, 2022 — [Liquid Avatar Technologies Inc.](#) (CSE: LQID / OTCQB:LQAVF / FRA:4T51) (the “**Company**”), a global blockchain and FinTech solutions company focused on digital identity, integrated avatars, and the Metaverse, is pleased to announce that it has closed the first tranche of its non-brokered private placement of units (“**Units**”) for gross proceeds of approximately \$915,700 (the “**Non-Brokered Offering**”) previously announced on June 24, 2022. A total of 18,314,000 Units were issued at a purchase price of \$0.05 per Unit, with each Unit comprised of one common share of the Company (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each Warrant is exercisable to acquire one Common Share (a “**Warrant Share**”) at an exercise price of \$0.10 per Warrant Share for a period of 36 months from the date of closing. The Units will have a hold period of four months and one day from the applicable closing.

*“The Company continues to review interest in our financing offering and we felt it was appropriate to close off this tranche at this time,” said **David Lucatch, CEO**. “We continue to execute on our mandate as we deliver products and services for digital identity and verifiable credentials, avatars, NFTs and the Metaverse and we look forward to showcasing our progress at our event next week.”*

In connection with the Non-Brokered Offering, the Company paid finder’s fees in the aggregate sum of \$19,415 and issued 216,300 finder’s warrants (the “**Finder’s Warrants**”) to certain eligible finders. Each Finder’s Warrant entitles the holder to purchase one Common Share at an exercise price equal to C\$0.10 per Share at any time up to 36 months following the closing.

Summer Showcase

The Company would like to invite any interested parties to view the Liquid Avatar Technologies Summer Showcase 2022 which will be held virtually on July 19, 2022 at 12pm Eastern. The Company will provide an update on its digital identity, avatars, NFTs, other credentials and Metaverse programs.

Register here: <https://share.hsforms.com/1nkQwAuT4Rq2EJI-jh6Na6Q4rqa5>

Early Warning Disclosure

The Company is also announcing pursuant to National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (“**NI 62-103**”) that the shareholdings of each of Crypto KABN Holdings Inc. (“**CK**”) and Benjamin Kessler (“**BK**”) have fallen below 10%.



As of August 23, 2021, CK had beneficial ownership and control over 12,500,000 Common Shares representing approximately 11.27% of the issued and outstanding Common Shares, on a non-diluted basis. CK did not and does not hold any other securities of the Company. As of August 24, 2021, CK continued to have ownership and control over 12,500,000 Common Shares, which then represented approximately 9.27% of the issued and outstanding Common Shares on a non-diluted basis. No sales or dispositions of Common Shares occurred to reduce CK's position to below 10%. As of August 24, 2021, the Company issued an aggregate of 24,000,001 Common Shares in a private placement, resulting in a reduction in CK's percentage ownership.

As of August 30, 2020, BK had beneficial ownership and/or control over 13,875,000 Common Shares representing approximately 20.77 of the issued and outstanding Common Shares, on a partially diluted basis. Such shares consisted of 12,500,000 Common Shares held by CK, of which BK may have had shared control or direction as an officer of BK, plus 600,000 Common Shares, 175,000 Common Share Purchase Warrants and options to purchase 600,000 Common Shares. As of August 31, 2020, BK resigned as an officer of CK and, as a result, no longer had shared control or direction over the 12,500,000 Common Shares held by CK. No sales or dispositions of Common Shares occurred to reduce BK's position to below 10%.

Neither CK nor BK beneficially owns nor controls 10% or more of the issued and outstanding Common Shares. Accordingly, neither is required to file early warning reports pursuant to the requirements of NI 62-103 unless their beneficial ownership or control of the Common Shares again increases above 10% of the issued and outstanding Common Shares. An early warning report prepared pursuant to the requirements of NI 62-103 by each of CK and BK has been filed on SEDAR at www.sedar.com under the Corporation's profile. To obtain more information or to obtain a copy of the early warning report to be filed in respect of this news release, please contact the Company at the contact details noted below. The address of CK is 885 West Georgia St., Suite 2200, Vancouver, BC. The address of BK is 15 Split Rock Lane, New Rochelle, NY 10804.

Termination of the Canadian KABN Prepaid Visa Card Program Agreement

The Company and its Canadian service provider for the KABN Prepaid Visa Card have terminated their agreement. Although intended to be released in 2021, the KABN Prepaid Visa Card program has continued to not be ready for commercial launch in Canada and, as a result, the Company and its service provider determined to terminate this agreement. A C\$200,000 (plus HST) termination fee will be paid by the Company in installments over 4 months. The Company is now focused on its current card program in the U.S., branded "LQID Card".

The securities described herein have not been, and will not be, registered under the United States securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the US Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

For more information on Liquid Avatar Technologies, please visit <https://liquidavatartechnologies.com>.



If you would like to join our mailing list and receive updates from Liquid Avatar Technologies, please [click here](#).

About Liquid Avatar Technologies Inc. – <https://liquidavatartechnologies.com>

Liquid Avatar Technologies Inc. focuses on the verification, management and monetization of Self Sovereign Identity, empowering users to control and benefit from the use of their online identity.

The Liquid Avatar Mobile App, available in the Apple App Store and Google Play, is a verified Self Sovereign Identity platform that empowers users to create high quality digital icons representing their online personas. These icons will allow users to manage and control their digital identity and Verifiable Access and Identity Credentials, and to use Liquid Avatars to share public and permission based private data when they want and with whom they want.

The Liquid Avatar Verifiable Credentials Ecosystem (LAVCE) has been developed to support all participants in a digital credential ecosystem, including the Holder, Issuer and Verifier, using state-of-the-art blockchain and open standards technologies initially as a node on the Indicio Network. The Company is a voting and steering committee member of the Trust over IP Foundation, founding and steering committee member of Cardea, a Linux Foundation Public Health project, member of the Good Health Pass collaborative, DIACC, the Covid Credentials Initiative ("CCI"), The Linux Foundation and a founding member of the Lumedic Exchange.

The Company has a suite of early-stage programs that support the Liquid Avatar Mobile App program, including Liquid Shopz, a cash back and reward program that has over 600 leading online merchants, which is in the pre-launch phase, and is working to release its own branded network payment card in the United States, the LQID Card, with the world's first Metaverse Rewards program.

The Company's subsidiary, [Oasis Digital Studios](#), is a creative and development agency that supports a wide range of artists, talent, and enterprises with Non-Fungible Token (NFT) solutions. Oasis owns 50% of and controls the [Aftermath Islands](#) Metaverse program.

Liquid Avatar Technologies Inc. is publicly listed on the Canadian Securities Exchange (CSE) under the symbol "LQID" (CSE:LQID).

The Company also trades in the United States, on the OTCQB under the symbol "LQAVF" and in Frankfurt under the symbol "4T51".

If you have not already joined our mailing list and would like to receive updates on Liquid Avatar Technologies Inc., please visit <https://hello.liquidavatar.com/liquid-avatar-updates>.

For more information, please visit www.liquidavatartechnologies.com

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. All websites referred to are expressly not incorporated by reference into this press release.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such



forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved".

The forward-looking information and forward-looking statements contained herein include, but is not limited to, statements regarding anticipated proceeds of the Offering and the anticipated closing date of the Offering, the future capabilities of the Liquid Avatar Mobile App and LAVCE, including third party integration and the uses thereof, information concerning plans for future features of the Liquid Avatar apps, plans LQID Card, plans for Liquid Shopz, the ability of the Company to generate revenues, roll out new programs and to successfully achieve business objectives, and expectations for other economic, business, and/or competitive factors.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such information and statements.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.