



Cloud3 Ventures Inc. Announces Execution of a Letter of Intent with QStarLabs Corporation

Toronto, Ontario – May 27, 2025 – Cloud3 Ventures Inc. (“**Cloud3 Ventures**” or the “**Company**”) (CSE: [CLDV](#)) (OTCQB: [CLDVF](#)) (FSE: [WQ40](#)), is pleased to announce that it has entered into an arm’s length non-binding letter of intent with QStarLabs Corporation (“**QStar**”) dated May 26, 2025 (the “**LOI**”), pursuant to which Cloud3 will acquire all of the issued and outstanding shares of QStar by way of a reverse takeover transaction (the “**Transaction**”). Upon closing, shareholders of QStar will own 80% of the issued and outstanding shares of the resulting issuer (the “**Resulting Issuer**”), with 10% held by subscribers of the Concurrent Financing (as defined below), and 10% retained by existing Cloud3 shareholders. The Resulting Issuer will continue the business of QStar as a company listed on the Canadian Securities Exchange (the “**CSE**”).

The Transaction is expected to be completed by way of amalgamation or other similar structure, subject to:

- Completion of a minimum C\$7,000,000 concurrent financing (the “**Concurrent Financing**”).
- Execution of a definitive agreement (the “**Definitive Agreement**”).
- Delivery of audited financial statements for both Cloud3 and QStar.
- CSE acceptance and any required shareholder approvals.
- Other customary conditions, including due diligence and the absence of material adverse changes.

It is anticipated that the Definitive Agreement will be executed by July 31, 2025, and the Transaction is expected to be completed as expeditiously as possible. The Company intends to issue a comprehensive news release upon execution of the Definitive Agreement disclosing material terms of the Transaction. As the Transaction is expected to constitute a “Fundamental Change” if completed, pursuant to the policies of the CSE, the Company expects that the CSE will impose a trading halt on the Company’s shares following announcement of the executed Definitive Agreement, which will remain in effect until the closing of the Transaction or as otherwise determined by the CSE.

Certain securities issued in connection with the Transaction may be subject to escrow or resale restrictions under CSE policies. Pursuant to the LOI, the parties have agreed to deal exclusively with each other with regard to the Transaction. Upon completion, management and the board of directors of the Resulting Issuer will be comprised of nominees of QStar.

About QStar

QStarLabs is an AI application company specializing in agents for the sports betting, iGaming, and web3 verticals. Founded to bridge the gap between AI research and enterprise applications, QStarLabs partners with gaming operators to drive technical excellence and business results. The company combines proprietary data infrastructure, reinforcement learning algorithms, and applied AI with leading generative AI models to deliver enterprise-grade solutions for operators.

QStarLabs' PERSONAS platform empowers operators and sports celebrities to deploy autonomous performance marketing agents that optimize fan engagement, user acquisition, and revenue generation.

About Cloud3 Ventures Inc.

Cloud3 Ventures Inc. is a Canadian company that operates at the forefront of blockchain innovation. Specializing in the LIF3 ecosystem, the Company provides infrastructure solutions to enable the next generation of decentralized applications.

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Cautionary Note Regarding Forward-Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the control of the Company. Forward-looking statements are frequently characterized by words such as “plan”, “continue”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur or be achieved and other similar expressions. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made. In the news release, such forward-looking statements include, but are not limited to, statements regarding the Company’s performance, business objectives, milestones and the potential outcomes from its development contained therein.

In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation: the Company’s ability to comply with all applicable regulations and laws; the signing of a Definitive Agreement in respect of the Transaction, including the terms thereof; timing for completion of the Transaction; required approvals for the completion of the Transaction; the ability of QStar to implement its business strategies; the ability of the Company and QStar to secure the Concurrent Financing; the actual timeline of the Transaction; the anticipated benefits of the Transaction. The business operations of QStar involve providing AI solutions to the sports betting and iGaming industries, which are highly regulated and may be restricted in certain jurisdictions. The Resulting Issuer’s future operations could be affected by changes in gaming laws, licensing requirements, or regulatory scrutiny. Investors are cautioned that the Company does not guarantee the legality of QStar’s technology in all markets.

Readers are cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted due to numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the Company’s control. Readers are cautioned not to place undue reliance on forward-looking information, which management believes to be reasonable as of the date of this release, but which may prove to be incorrect. The Company undertakes no obligation to update or revise any forward-looking statements except as required by applicable law.

No securities exchange or commission has reviewed or accepts responsibility for the adequacy or accuracy of this release.