

Interlapse Announces Closing of \$5,000,000 Subscription Receipt Financing and Appoints PI Financial Corp. as Sponsor

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VANCOUVER, BC, March 23, 2021 /CNW/ - Interlapse Technologies Corp. (TSXV: INLA) ("**Interlapse**" or the "**Company**") is pleased to announce that it has closed its previously announced non-brokered private placement of 20,000,000 subscription receipts (the "**Subscription Receipts**") at a price of \$0.25 per Subscription Receipt for total gross proceeds of \$5,000,000 (the "**Financing**").

The gross proceeds from the Financing will be held in escrow by Computershare Trust Company of Canada as subscription receipt agent and will be released upon completion of the escrow release conditions, which includes completion of the Company's previously [announced](#) acquisition of 100% of the issued and outstanding shares of LQwD Financial Corp. ("**LQWD**"), a decentralized finance company creating enterprise grade infrastructure and institutional liquidity for the Lightning Network, in exchange for common shares of Interlapse (the "**Transaction**"). The Lightning Network is a solution to scaling the usage of Bitcoin, dramatically improving upon the fees, as well as the instant settlement times, on the main Bitcoin blockchain.

Each Subscription Receipt entitles the holder thereof to receive, upon satisfaction of the escrow release conditions (which will include, among other things, the closing of the Transaction) on or before the escrow release deadline, and without payment of additional consideration therefor one common share in the capital of the Company following completion of the Transaction (the "**Resulting Issuer**") and one-half of a common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share of the Resulting Issuer at C\$0.40 per share for a period of 12 months from the date of conversion of the Subscription Receipts. In the event that the volume-weighted trading price of the shares on the TSX Venture Exchange (the "**TSX-V**") is C\$0.60 or greater for a period of 10 consecutive trading days, the Company may, at its option, accelerate the warrant expiry date by issuing a press release (the "**Acceleration Provision**").

Should the escrow release conditions not be satisfied by the escrow release deadline, the Subscription Receipts will be cancelled, and all proceeds from the sale of Subscription Receipts will be returned to purchasers. The Subscription Receipts and the securities into which they are convertible, are subject to a hold period and may not be traded until July 24, 2021 except as permitted by applicable securities legislation and the rules and policies of the TSX-V.

In consideration of arranging the Financing, the Company has agreed to pay finder's fees consisting of:

- cash payments totaling \$249,150 (the "**Finders' Commission**");
- 672,000 warrants (the "**Finder Warrants**"), each Finder Warrant exercisable to purchase one additional common share of the Company, subject to adjustment, for a period of 24 months from the Closing Date at a price of \$0.40 per share; and
- 35,000 units (the "**Finder Units**") and, together with the Finders' Commission and Finder Warrants, the "**Finders' Fees**"), each Finder Unit consists of one common share in the capital of the Resulting Issuer and one-half of one warrant. Each whole such warrant will entitle the holder to purchase one additional common share of the Resulting Issuer at C\$0.40 per share for a period of 12 months from the date of conversion of the Subscription Receipts, subject to the

Acceleration Provision.

The Finders' Fees are not payable until the escrow release conditions are met.

The Resulting Issuer intends to use the proceeds of the Financing to fund the costs of the Transaction, purchase Bitcoin in connection with the Resulting Issuer's business plan and for development and general working capital.

Interlapse has also appointed PI Financial Corp. ("**PI**") as the sponsor to Interlapse in respect of the Transaction pursuant the sponsorship requirements of the TSX-V. In consideration for PI's services, the Company has agreed to pay a \$75,000 cash fee and grant 100,000 compensation options to PI. Each compensation option entitles the holder to purchase one unit of the Company at a price of \$0.25 per unit, each such unit consisting of one common share in the capital of the Resulting Issuer and one-half of one warrant. Each whole such warrant will entitle the holder to purchase one additional common share of the Resulting Issuer at C\$0.40 per share for a period of 12 months from the date of conversion of the Subscription Receipts, subject to the Acceleration Provision.

This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities 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 may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) unless an exemption from such registration is available.

The Transaction remains subject to a number of terms and conditions, including Interlapse shareholder approval and the approval of the TSX-V and other applicable regulatory authorities. Upon completion of this arm's length Transaction, LQWD will become a wholly owned subsidiary of Interlapse.

About Interlapse Technologies Corp.

Interlapse Technologies Corp. is a financial technology applications company accelerating the global mega-trend of virtual currency adoption. Interlapse currently has 30,683,189 shares outstanding (37,117,401 fully diluted).

To learn more, visit www.interlapse.com.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSX-V acceptance and if applicable pursuant to TSX-V Requirements, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Interlapse should be considered highly speculative.

The TSX-V. has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.

Neither TSX-V nor its Regulation Services Provider (as that term is defined in the policies of TSX-V) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the Transaction, the Financing and associated transactions, including statements regarding the terms and conditions of such transactions, the requisite Interlapse Shareholder approval, the continued listing of the Resulting Issuer on the TSX-V, the directors and officers of the Resulting Issuer, the anticipated benefit of the Lightning Network. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs regarding future events of management of Interlapse and LQWD (the "**Companies**"). This information and these statements, referred to herein as "forward-looking statements", are not historical facts, are made as of the date of this press release and include without limitation, statements regarding discussions of future plans, estimates and forecasts and statements as to management's expectations and intentions with respect to, among other things, the completion of the Transaction and the use of proceeds from the Financing. These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. Important factors that may cause actual results to vary include without limitation, risks relating to the finalization of the terms of the Financing; risks associated with any delays or difficulties encountered in respect of the Transaction; the timing and receipt of certain approvals, including approval from the TSX-V or the Interlapse Shareholders; risks and uncertainties related to the Transaction not being completed in the event that the conditions precedent thereto are not satisfied; delays in the receipt of requisite approvals and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this press release, the Companies have applied several material assumptions, including without limitation, the receipt of necessary consents and approvals and satisfaction of all conditions precedent for the completion of the Transaction in a timely manner. Neither Interlapse nor LQWD assumes any obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements, unless and until required by applicable securities laws. Additional information identifying risks and uncertainties is contained in Interlapse's filings with the Canadian securities regulators, which filings are available at www.sedar.com.

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