

# Xcyte Digital Corp. Signs Agreement for Proposed Shares for Past and Continuing Services

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POMPANO BEACH, FL / September 3, 2024 / Xcyte Digital Corp. (TSXV:XCYT) (“**Xcyte**” or the “**Company**”), a trusted global events technology company, specializing in next-generation event solutions, today announces that it has entered into a consulting agreement dated September 3, 2024 (the “**Agreement**”) with its wholly-owned subsidiary, Xcyte Digital Corporation, and hyperNET Inc. (the “**Consultant**”), a company controlled by Paul Barbeau, a director of the Company.

Pursuant to the terms of the Agreement, the Company has agreed to:

- (a) pay the Consultant an aggregate payment of \$63,750 as compensation for certain administrative, corporate and other services (collectively, the “**Services**”) provided by Mr. Barbeau on an ad hoc basis to the Company and its subsidiaries since the completion of its Qualifying Transaction in November 2023, of which (i) a minimum of \$23,750 (the “**Cash Compensation**”) will be paid in cash, and (ii) subject to the approval of the TSX Venture Exchange (the “**TSXV**”), \$40,000 will be satisfied by the issuance of an aggregate of 160,000 subordinate voting shares in the capital of the Company (each, a “**Share**”) to the Consultant at a deemed price of \$0.25 per Share (the “**Shares for Past Services**”);
- (b) continue to engage the Consultant to provide the Services for a fee of \$7,500 per month, after the Services have been performed in such month, of which (i) a minimum of \$2,500 will be paid in cash, and (ii) subject to the approval of the TSXV, \$5,000 per month will be satisfied by the issuance of such number of Shares (the “**Shares for Services**”) as is determined by dividing \$5,000 by the closing market price per Share on the TSXV on the last trading day of such month or at \$0.25.; whichever is greater and
- (c) grant the Consultant an aggregate of 150,000 stock options (the “**Options**”), each of which will be exercisable into one Share at a price of \$0.25 per Share until the earlier of (i) September 3, 2029 and (ii) 90 days after the Consultant ceases to provide services to the Company or any of its subsidiaries in any capacity, whether as a director, officer, employee, independent contractor or otherwise.

If the TSXV does not approve some or all of the Shares for Past Services or the Shares for Services, as the case may be, the value of the Shares that cannot be issued shall be paid in cash to the Consultant after the TSXV has advised the Company that such Shares cannot be issued, and the amount of the Cash Compensation or the Services Fee, as the case may be, shall be increased on a dollar-for-dollar basis.

If the Shares for Services is approved by the TSXV, the Company will disseminate a news release at least once every calendar quarter indicating the number of Shares and the deemed value per Share issued in exchange for the Services that have been provided.

The initial term of the Agreement shall end on November 15, 2024, following which it will continue on a month-to-month basis until terminated, in writing, by any party on no less than 30 days' prior written notice.

As Mr. Barbeau is a director of the Company, the transactions contemplated in the Agreement are considered to be “related party transactions” as contemplated in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). All of the independent directors of the Company, acting in good faith, have considered the Agreement and have determined that the compensation proposed to be paid to the Consultant is reasonable. The Company is exempt from: (i) the formal valuation requirements of Section 5.4(1) of MI 61-101 pursuant to Section 5.5(b) of MI 61-101, as the Shares are listed on the TSXV; and (ii) the minority approval requirement in Section 5.6 of MI 61-101.

The Shares for Past Services and the Shares for Services are subject to the approval of the TSXV. All Shares issued pursuant to the Shares for Past Services and Shares for Services, if any, will be subject to a hold period of four months and one day under applicable Canadian securities laws.

This press release will not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful. None of the Shares (including Shares issuable on exercise of the Options) are or will be registered under the United States *Securities Act of 1933*, as amended (the “**1933 Act**”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

As Mr. Barbeau is also granted an aggregate of 50,000 stock options (the “**Options**”), each of which will be exercisable into one Share at a price of \$0.25 per Share until the earlier of (i) September 2, 2029 and (ii) 90 days after the Consultant ceases to provide services to the Company or any of its subsidiaries in any capacity, whether as a director, officer, employee, independent contractor or otherwise

### **About Xcyte Digital Inc.**

Xcyte Digital (TSXV:XCYT) is a trusted global events technology company, specializing in next-generation applications for physical, hybrid, virtual, immersive, and phone-based events. Combining proprietary technology with a robust partner ecosystem, Xcyte offers both do-it-yourself and managed services, ensuring secure and scalable solutions worldwide. Thousands of clients, from innovative startups to major corporations, rely on Xcyte's cost-effective solutions to meet their event needs. Xcyte Digital is headquartered in Canada and the USA, with operations across the globe. Visit us at [xcytedigital.com](http://xcytedigital.com).

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To receive Xcyte investor news, please sign up at <https://xcytedigital.com/investors/>

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

### **Forward-Looking Information**

*Certain information in this news release constitutes forward-looking statements and forward-looking information under applicable Canadian securities legislation (collectively, "forward-looking information"). Forward-looking information in this release includes, but is not limited to, statements with respect to the expected Closing of the Transaction, expected timing of the Closing, final terms of the Transaction, approval of the Transaction by the TSXV, the expected synergies that Xcyte may realize as a result of the acquisition of Webinar.net, and the impact that the Transaction may have on Xcyte's growth prospects generally. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events. Forward looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by management as of the date of this news release, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements and future events to be materially different from those expressed or implied by such forward-looking information, including that the Webinar.net assets may not perform or generate revenue at the levels experienced historically; that there may be obstacles to absorbing the Webinar.net assets into Xcyte's broader business; that the synergies anticipated by the Webinar.net acquisition may not materialize to the extent expected or at all; and other factors that apply to the Company's business generally as described in greater detail in the documents filed under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca). Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Investors are cautioned that undue reliance should not be placed on any such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. The Company does not intend, and does not assume any obligation, to update the forward-looking information in this release except as otherwise required by applicable law.*