Visionstate Announces Final Exchange Approval and Close of Previously Announced Private Placement and Early Warning Report

written by Raj Shah | May 17, 2023

May 17, 2023 (Source) – **Visionstate Corp. (TSXV:VIS)** ("Visionstate" or the "Company") is pleased to announce receipt of final approval from the TSX Venture Exchange on the close of the private placement offering (the "Offering") previously announced on March 13, 2023 and April 4, 2023. At the close, Visionstate raised $459,500 through the issuance of 22,975,000 units ("Units") at a price of $0.02 per Unit. Each Unit is comprised of one (1) common share in the capital of Visionstate ("Common Share") and one (1) Common Share purchase warrant ("Warrant") whereby each Warrant entitles the holder to purchase one (1) additional Common Share at a price of $0.05 per Common Share for a period of two (2) years following the date of closing.

If the closing price of the Common Shares is equal to or exceeds $0.07 per Common Share for greater than twenty (20) consecutive trading days, then the warrant term shall automatically accelerate to a date that is thirty (30) calendar days following the date a press release is issued by the Company announcing the reduced warrant terms, without further notification made by the Company.

The issuance of Units to insiders pursuant to the Offering constitutes a "related party transaction" in accordance with TSX

Venture Exchange Policy 5.9, *Protection of Minority Security Holders in Special Transactions*, which incorporates Multilateral Instrument 61-101 ("MI 61-101"). The Offering will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101. In particular, Visionstate has determined that the exemptions set out in paragraphs (a) and (b) in section 5.5 of MI 61-101 are applicable since the aggregate consideration to be paid by the related parties will not exceed 25% of the market capitalization of Visionstate and Visionstate is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange. In addition, regarding the minority shareholder approval exemptions, the independent directors have determined that the exemptions set out in paragraphs (1)(a) and (b) in section 5.7 of MI 61-101 are applicable in that the aggregate consideration to be paid by the related parties will not exceed 25% of the market capitalization of Visionstate, the distribution of the securities to the related parties will have a fair market value of not more than $2,500,000 and Visionstate is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange.

The net proceeds from the sale of Units will be used by the Company to invest in corporate development and awareness, general working capital, marketing and sales initiatives to expand internationally and to acquire an OTC listing in the United States.

Pursuant to applicable Canadian securities laws, the Common Shares and Warrants comprising the Units are subject to a four-month hold period from the time of closing of the Offering.

New Insider

With the closing of the Offering, Mr. Charles Monte Goble will become a new insider of the Company. Mr. Goble purchased a

total of 11,875,000 Units or $237,500 of the Offering. As a result, Mr. Goble will own approximately 19.85% of the outstanding common shares of the Company upon closing.

Early Warning Report Requirements

Mr. Charles Monte Goble, who currently owns or controls (directly or indirectly) 17,134,991 (approximately 13.91%) of the issued and outstanding Common Shares on a non-diluted basis prior to the closing, acquired 11,875,000 Units pursuant to the Offering, being approximately 51.69% of the Units issued in the Offering. Each Unit is comprised of one (1) Common Share and one (1) Warrant. Each Warrant is exercisable into one (1) Common Share at an exercise price of $0.05 per Common Share for a period of two (2) years from the date of issuance.

Prior to the Offering, Mr. Goble (directly or indirectly) owned 17,134,991 Common Shares and 5,086,364 warrants ("Prior Warrants") exercisable to acquire an aggregate of 5,086,364 Common Shares of the Company. If the Prior Warrants held by Mr. Goble were exercised in full, Mr. Goble would own (directly or indirectly) approximately 18.04% of the then issued and outstanding Common Shares, on a partially diluted basis.

After the closing of the Offering, Mr. Goble (directly or indirectly) will own 20,009,991 Common Shares and an aggregate of 16,961,354 warrants, comprised of the Warrants and the Prior Warrants. Assuming the exercise of all outstanding Warrants and Prior Warrants (and assuming no further issuances of Common Shares), Mr. Goble would then own and/or have control over, directly or indirectly, 45,971,355 Common Shares, representing approximately 31% of the issued and outstanding Common Shares of the Company on a partially diluted basis.

The Units were acquired for investment purposes. Mr. Goble has no current intention to enter into any of the transactions

listed in item 5 of Form 62-103F1 of National Instrument 62-103 but in the future may, depending on market and other conditions, increase or decrease its ownership of the Company's securities, whether in the open market, by privately negotiated agreements or otherwise, subject to a number of factors, including general market conditions and other available investment and business opportunities. An early warning report will be filed by Mr. Charles Monte Goble in accordance with applicable securities laws and will be available under the Company's SEDAR profile at www.sedar.com.

About Visionstate Corp.

Visionstate Corp. (TSXV: VIS) is a growth-oriented company that invests in the research and development of promising new technology in the realm of the Internet of Things, big data and analytics, and sustainability. Through Visionstate IoT Inc., it helps businesses improve operational efficiencies, reduce costs and elevate customer satisfaction with its state-of-the-art devices that track and monitor guest activities and requests. The footprint of its WANDA™ smart device now extends to hospitals, airports, shopping centres and other public facilities across and beyond North America. Through building up a collection of synergistic technologies, Visionstate Corp. will continue to innovate, reduce environmental impact and transform consumer experiences.

Issued on behalf of the Board of Directors of Visionstate Corp.

"John A. Putters"

Visionstate IoT Inc.

Shannon Moore, President

Email: shannon@visionstate.com

Tel: 780-425-9460

CHF Capital Markets

Kathy Chapman

Email: kc@chfir.com

Tel: 416-868-1079 x 234

Twitter: @visionstate

Facebook: @visionstate

LinkedIn: Visionstate Corp

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