

CAPRICE BUSINESS DEVELOPMENT CANADA INC.

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NEWS RELEASE

August 9, 2019

TSXV: CAPB.P

CAPRICE ANNOUNCES QUALIFYING TRANSACTION

Vancouver, British Columbia, August 6, 2019 – Caprice Business Development Canada Inc. (TSXV: CAPB.P) (“**Caprice**” or the “**Company**”), a capital pool company listed on the TSX Venture Exchange Inc. (the “**Exchange**”) announces it has entered into of a letter of intent (the “**LOI**”) dated July 26, 2019 with 1182533 BC Ltd., (dba Leaf Digital Studios) (“**LEAF**”) pursuant to which Caprice will acquire all of the issued and outstanding shares in the capital of LEAF pursuant to a reverse-takeover transaction (the “**Transaction**”). The Transaction will constitute Caprice’s Qualifying Transaction, as defined in Exchange Policy 2.4 – Capital Pool Companies. The Transaction is expected to be effected by way of a three cornered amalgamation, whereby Caprice will, in effect, acquire 100% of the issued and outstanding common shares of LEAF, and LEAF will become a wholly owned subsidiary of Caprice.

LEAF

LEAF is a private B.C. corporation based in Vancouver, British Columbia, Canada. LEAF is a leading publisher and developer of mobile games with a counter-culture emphasis achieving over 3.5 billion gameplay sessions and 30+ million player installs to date. LEAF pioneered this underserved segment of casual/idle mobile games and over the last eight years has created a core roster of games with a loyal community of dedicated players, strong core intellectual property, scalable monetization strategies and strong development pipeline.

LEAF operates a free-to-play business model as well as an evolving game economy model that seeks to optimize revenue and loyalty. This is coupled with ongoing content creation, such as events, promotions, features, and rewards within the games to drive player revenue and retention. The overarching goal of LEAF’s business model is to leverage existing fandom(s) and foster long-term player retention.

LEAF is undergoing an audit of its financial statements. Full disclosure of LEAF, its business, management and financial status will be set out in Caprice’s public disclosure document, expected to be a TSXV Filing Statement.

Qualifying Transaction Terms

The Transaction is an arm’s length transaction, and as such will not require the approval of Caprice’s shareholders. The Transaction is expected to be effected by way of three-cornered amalgamation, whereby (i) Caprice will incorporate a new B.C. subsidiary (“**Subco**”), (ii) LEAF and Subco will amalgamate and the shareholders of LEAF will receive shares of Caprice, and (iii) LEAF will become a wholly owned subsidiary of Caprice.

Caprice currently has 5,500,000 common shares outstanding, and 550,000 stock options outstanding with an exercise price of \$0.10. LEAF presently has 184,637,500 common shares outstanding; and will be

undertaking a concurrent private placement to raise at least \$1,000,000 through the sale of its shares. Under the Transaction, each share of LEAF will be exchanged for one share of Caprice.

The Transaction is subject to a number of conditions precedent, including:

1. satisfactory due diligence investigations by each party of the other, including without limitation, the audited financial information of Leaf when available;
2. the negotiation and execution of definitive agreements; and
3. receipt of regulatory approvals, including the Exchange.

There is no assurance that all of the conditions precedent will be satisfied or waived, or that the Transaction will close on the basis as outlined herein, or at all.

In conjunction with closing of the Transaction:

- the Company will change its name to reflect its new business;
- there will be a change of management within Caprice; and
- LEAF will undertake a private placement to raise at least \$1,000,000.

Financing

LEAF will be undertaking a private placement of its shares for gross proceeds of at least C\$1,000,000. Terms of the financing will be announced once settled.

Management

Upon completion of the Transaction, the directors and officers of the Resulting Issuer will be:

Darcy Taylor – CEO and Director

Darcy has over 20+ years of senior executive experience building successful companies and brands spanning, Asia, Europe and North America. He has a proven track record in senior leadership roles in private and public companies, including IMG, Logic Technologies, JT International S.A. and MASEV Communications Inc. His experience includes corporate, agency, and entrepreneurial environments across Fin Tech, Blockchain, FMCG/CPG, Sports & Entertainment and Digital Marketing & Media industries.

Derek Lew –Director

Mr. Lew is the President, Chief Executive Officer and a director of GrowthWorks Capital Ltd. (“GWC”), and the President and Chief Executive Officer and/or a director of certain managed funds and operating subsidiaries of GWC, all of which are active venture capital investors.

Ian Mcleod – Director

Mr. MacLeod is the Corporate Secretary and General Counsel to the Teligence Group of Companies, since 2007.

Mark Rutledge – Director

Mr. Rutledge has experience in technology, start-up structure and financing, and public markets. He is currently the Chief Executive Officer of Motto Technologies PLC.

Other Matters

In accordance with the policies of the Exchange, the Company intends to pay finders' fees in connection with the Transaction through the issuance of 1,000,000 shares of Caprice.

Trading of Caprice' common shares will remain halted pending completion of the Transaction, subject to the earlier re-commencement of trading only upon Exchange approval and the filing of required materials with the Exchange as contemplated by Exchange policies.

Caprice has not engaged a sponsor in connection with seeking Exchange approval to the Transaction. Caprice will be making application to the Exchange for a waiver of the requirement to engage a sponsor.

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange 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 or filing statement 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 a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.

Additional information in connection with the Transaction will be provided in subsequent press releases.

ON BEHALF OF THE BOARD

Derek Lew
Chief Executive Officer
Telephone: (604) 633-1418

Forward-Looking Statements

This press release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the completion of the proposed Transaction, and the anticipated business plan of Caprice and LEAF subsequent to completion of the Transaction. Although Caprice believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct.

Forward looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. Caprice cautions investors that any forward-looking information provided by Caprice are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various factors, including, but not limited to: Caprice' ability to complete the proposed Transaction; the state of the financial markets for Caprice' equity securities; the state of the market for on-line gaming generally; recent market volatility; LEAF's ability to raise the necessary capital or to be fully able to implement its business strategies; and other risks and factors that Caprice is unaware of at this time.

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