

CAPRICE BUSINESS DEVELOPMENT CANADA INC.

Suite 2080 - 1055 West Georgia Street,
Vancouver, British Columbia V6E 3R5

NEWS RELEASE

January 31, 2020

TSXV: CAPB.P

CAPRICE PROVIDES UPDATE REGARDING QUALIFYING TRANSACTION

Vancouver, British Columbia, January 31, 2020 — Caprice Business Development Canada Inc. (TSXV: CAPB.P) ("**Caprice**") is pleased to provide the following update regarding its proposed qualifying transaction, previously announced on August 9, 2019.

Pursuant to an amalgamation agreement dated October 29, 2019 (the "**Amalgamation Agreement**"), Caprice will acquire, through its wholly-owned subsidiary, all of the issued and outstanding shares in the capital of 1182533 B.C. Ltd. (d/b/a "Leaf Digital Studios") ("**Leaf**") pursuant to a reverse-takeover transaction (the "**RTO**"). The RTO will be completed by way of a three-cornered amalgamation, whereby Caprice will, in effect, acquire 100% of the issued and outstanding shares of Leaf, and Leaf will become a wholly-owned subsidiary of Caprice.

Completion of the RTO is subject to, among other things, Leaf completing a concurrent private placement financing for minimum gross proceeds of \$3.41 million (discussed further below), and Caprice and Leaf each receiving all necessary shareholder approvals at their respective special shareholder meetings, to be announced shortly. Caprice and Leaf will be issuing a joint management proxy information circular (the "**Information Circular**") with respect to same, which will be made available under Caprice's profile on SEDAR.

Upon completion of the RTO, Caprice intends to change its name to "Leaf Mobile Inc."

Caprice has received conditional approval from the TSX Venture Exchange with respect to the RTO. Caprice has also received a waiver from the TSX Venture Exchange with respect to the requirement to engage a sponsor.

Leaf and LDRLY

Immediately prior to the completion of the RTO, Leaf will acquire (the "**LDRLY Acquisition**") all of the issued and outstanding securities of LDRLY (Technologies) Inc. ("**LDRLY**"), a private B.C. corporation that has developed and published casual or idle mobile video games since 2013, including counterculture titles including *Bud Farm Idle Tycoon*.

LDRLY is currently a wholly-owned subsidiary of Eastside Games Inc. ("**Eastside Games**"), also a private B.C. mobile game developer/publisher of which Jason Bailey is the principal.

Pursuant to the LDRLY Acquisition, Eastside Games will receive \$1.25 million in cash consideration (which amount has already been paid), and 55,187,500 common shares of Leaf. These shares will be exchanged for Caprice common shares under the RTO, but will be subject to escrow pursuant to TSXV policies, discussed further below.

Leaf has also agreed to pay a finder's fee of 1 million common shares of Leaf to a private B.C. company at arm's length to Caprice, Leaf, LDRLY and Eastside Games. These shares will also be exchanged for Caprice common shares under the RTO.

Caprice, Leaf, Eastside Games and LDRLY are each arm's length to each other; however, certain directors and officers of Caprice are also shareholders of Leaf.

Further information regarding Caprice, Leaf, and LDRLY, including the respective financial statements of each, will be set out in the Information Circular.

Private Placement

As a condition to completing the RTO, Leaf will also be offering, by way of non-brokered private placement, a minimum of 21,312,500 Leaf Shares at a price of \$0.16 per share, for minimum gross proceeds of \$3.41 million (the "**Offering**"). The Offering will not be subject to a maximum amount.

With respect to the Offering, Leaf has agreed to pay Haywood Securities Inc. ("**Haywood**") a cash finder's fee equal to 6% of the number of Leaf Shares sold to purchasers introduced by Haywood.

Shares sold under the Offering will also be exchanged for Caprice common shares under the RTO.

Capital Structure

Caprice currently has 5,500,000 common shares outstanding. Upon closing of the RTO and the minimum Offering, Caprice will issue an aggregate 207,262,500 common shares to the holders of Leaf Shares.

Control Persons

Upon completion of the RTO and the Offering, which together comprise Caprice's qualifying transaction (the "**Qualifying Transaction**"), Eastside Games and Durban Holdings Ltd., a private B.C. company of which Julie Hamilton is the principal, will become "control persons" by reason of holding over 20% of the Caprice common shares anticipated to be issued and outstanding. Durban Holdings Ltd. and Ms. Hamilton are also arm's length parties to Caprice and LDRLY.

Escrow

Upon completion of the Qualifying Transaction, it is anticipated that 123,187,500 common shares of the Resulting Issuer will be subject to escrow, and an additional 3,500,000 common shares will continue to be held under escrow from Caprice's IPO, held by the Resulting Issuer's proposed directors, executive officers and insiders. Further, an additional 43,000,000 common shares of the Resulting Issuers held by non-principal shareholders will also be subject to escrow.

Management

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

Darcy Taylor - CEO and Director

Mr. Taylor 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, cryptocurrency, FMCG/CPG, sports & entertainment, and digital marketing & media industries.

Mark Leung - CFO

Mr. Leung has over 15 years of experience in finance and accounting. He has diverse industry experience which includes investment management, telecommunications and gaming. Responsibilities included overseeing all aspects of financial planning and analysis, and strategic planning. Professionally, he is a Chartered Professional Accountant (CPA, CA), and a graduate of the University of British Columbia (MBA).

Brian Wideen - VP Finance

Mr. Wideen has held executive roles in companies of all sizes, including in telecom, video games and media. This includes thirteen years at Electronic Arts Canada, running large franchise titles, including as Chief Operating Officer for "Need for Speed". Mr. Wideen currently holds the role of VP Finance with Growthworks Capital Ltd. ("**Growthworks Capital**").

Derek Lew - Director

Mr. Lew is the President, CEO and a director of Growthworks Capital, and the President and CEO and/or a director of certain managed funds and operating subsidiaries of Growthworks Capital, all of which are active venture capital investors.

Ian MacLeod - Director

Mr. MacLeod is the corporate secretary and general counsel to the Teligence Group of Companies, which actively pursues the acquisition of promising opportunities in telecom, payments, e-commerce and software development.

Mark Rutledge - Director

Mr. Rutledge has experience in technology, start-up structure and financing, and public markets, and is currently the CEO of Motto Technologies PLC, headquartered in London, United Kingdom.

Other Matters

Trading of Caprice's common shares will remain halted pending completion of the Qualifying Transaction.

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, Caprice receiving final approval from the TSX Venture Exchange, and Caprice and Leaf each receiving all necessary shareholder approvals. The Qualifying Transaction cannot close until these conditions are satisfied. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Information Circular, any information released or received with respect to the Qualifying 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 TSX Venture Exchange has in no way passed upon the merits of the proposed Qualifying Transaction and has neither approved nor disapproved of the contents of this news release.

ON BEHALF OF THE BOARD

Derek Lew
CEO
Telephone (604) 633-1418

Forward Looking Statements

This news release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the completion of the proposed Qualifying Transaction, and the anticipated business plan of Caprice and Leaf subsequent to completion of the Qualifying 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 such words as "believe," "expect," "anticipate," "intend," and similar expressions, or are those that, 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 and Leaf's ability to complete the Qualifying Transaction as described; the state of the market for mobile gaming generally; the state of financial markets generally; and 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 not aware 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.