

# **Versus Systems Enters Agreements with ASPIS Cyber Technologies for Nasdaq Compliance Plan and to Strengthen Compliance and Technology Offerings**

VANCOUVER, British Columbia, Oct. 16, 2024 (GLOBE NEWSWIRE) -- Versus Systems, Inc. (NASDAQ: VS) (the “Company”) announced today the execution of two significant agreements with [Aspis Cyber Technologies, Inc.](#) (“ASPIS”), a cloud-based mobile endpoint cybersecurity technology firm.

ASPIS is affiliated with Cronus Equity Capital Group, LLC, which holds approximately 39.5% of the Company’s outstanding common stock. A significant shareholder of Cronus is also a shareholder of ASPIS, reinforcing the strategic alignment between the entities. In addition, a director of the Company is also a director of ASPIS and owns an equity interest in ASPIS.

The first agreement, a Business Funding Agreement (the “Funding Agreement”), provides for ASPIS to invest \$2.5 million in Versus Systems. Under the Funding Agreement, ASPIS has initially invested \$500,000, and on or before November 15, 2024, ASPIS will invest the balance of \$2,000,000. In exchange for the investment, the Company has issued ASPIS an unsecured convertible promissory note with a principal balance of \$2,500,000 (or such lesser amount if less is funded) (the “Note”). The Note is convertible into units with each unit comprised of one common share and one warrant to purchase one half of one common share at an exercise price of \$4.00 per share. The Note may also be paid in cash at the option of ASPIS. The Note will not be convertible by the holder unless and until the Company obtains approval from its shareholders of the issuance of the equity under the Note and of the Company’s redomiciling to Delaware. The conversion price for the Note will be at least \$1.16 but will be determined by the greater of (1) the 5-day volume-weighted average price, including the date prior to the initial funding, and (2) \$1.16. The Company anticipates that it will hold its annual meeting to seek shareholder approval in December 2024. The Note is a senior note and will bear simple interest on the amounts funded at the rate of ten percent (10%) per annum.

The second agreement, a Technology Licensing and Software Development Agreement (the “License Agreement”), enables ASPIS to license Versus Systems’ gamification, engagement, and QR code technology for integration into its cybersecurity offerings, particularly in sectors such as government, finance, gaming, and social media in exchange for a monthly license fee paid to the Company. ASPIS will also compensate the Company for any updates or innovations related to this technology.

These agreements form the foundation of the Company’s compliance plan, submitted to Nasdaq on October 7, 2024, to address the Company’s requirement to maintain a minimum of \$2.5 million in shareholders’ equity for continued listing on The Nasdaq Capital Market, as outlined in Nasdaq Listing Rule 5550(b)(1). Through these agreements, Versus Systems

aims to exceed the required minimum shareholders' equity, ensuring compliance until at least September 30, 2025. The Company cannot provide any guarantee or assurances, however, that it will exceed or continue to meet the minimum shareholders' equity requirement.

"Partnering with ASPIS Cyber Technologies marks a pivotal moment for Versus Systems," said Curtis Wolfe, Interim CEO of Versus Systems. "This collaboration not only strengthens our financial position but also enhances our technological capabilities, allowing us to provide cutting-edge solutions in cybersecurity."

Under the terms of the agreements, assuming the Company receives shareholder approval of the issuance of equity under the Note and the Company's redomiciling to Delaware, ASPIS could receive upon conversion of the Note and exercise of the warrants (assuming the final price is \$1.16), 2,155,172 shares of common stock and warrants to purchase an additional 1,077,586 shares. Upon conversion of the Note, ASPIS would hold approximately 45.8% of the outstanding common stock of the Company. This percentage does not account for shares issuable upon exercise of the warrants or ASPIS's option under the Note to convert any accrued and unpaid cash interest on the Note into units, which would result in additional shares issuable to ASPIS.

The License Agreement stipulates a monthly fee of \$165,000 to be paid by ASPIS starting in January 2025, while also granting ASPIS a license to use any modifications made to the licensed technology for cybersecurity purposes.

Nasdaq will review the Company's plan, and should the plan not be accepted, or if compliance is not achieved by February 18, 2025, Nasdaq may initiate delisting proceedings. In such cases, Versus Systems reserves the right to request a hearing for an additional extension.

### **About Versus Systems**

Versus Systems, Inc. has developed a proprietary in-game prizing and promotions engine that allows game developers and publishers to offer real-world rewards inside their games. Players can choose from a variety of rewards that match their interests, including merchandise, events, and digital goods. Versus Systems is headquartered in Los Angeles, California.

For more information, please visit [www.versussystems.com](http://www.versussystems.com).

### **About AspIS Cyber Technologies, Inc.**

ASPIS is a Cloud Based Mobile Endpoint Cyber Security Technology Company for Anti Tapping, Antihacking within the Government, Finance, Gaming and Social Media sectors that provides cybersecurity technology for clients that include governments, municipalities, commercial entities, and consumers.

### **For media inquiries, please contact:**

Cody Slach, Gateway Group, Inc.  
949-574-3860  
[IR@versussystems.com](mailto:IR@versussystems.com) or

## Forward-Looking Statements

*This news release contains “forward-looking statements”. Statements in this news release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future, including statements regarding the Company’s plans to regain compliance. It is important to note that actual outcomes and the Company’s actual results could differ materially from those in such forward-looking statements. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others: uncertainty whether the Company’s plan to regain compliance with Nasdaq’s minimum shareholders’ equity rule submitted to Nasdaq will be accepted or, if accepted, whether the Company will regain compliance with the minimum shareholders’ equity rule within the timelines required by Nasdaq, failing which, the Company’s securities will be delisted by Nasdaq; uncertainty whether the Company would appeal any delisting notice or whether any such appeal would be successful, failing which, the Company’s securities will be delisted by Nasdaq; the risk that delisting of the Company’s securities may have a material adverse effect on the Company’s share liquidity and trading price and on the Company’s ability to obtain financing and continue its business; whether the Company will realize long-term benefits and synergies from the partnership with ASPIS; and the risk of changes in business strategy or plans. Readers should also refer to the risk disclosures outlined in the Company’s quarterly reports on Form 10-Q, the Company’s annual reports on Form 10-K, and the Company’s other disclosure documents filed from time-to-time with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov) and the Company’s interim and annual filings and other disclosure documents filed in Canada from time-to-time under the Company’s profile on SEDAR+ at <https://www.sedarplus.ca>.*



Source: Versus Systems Inc.