

FOR IMMEDIATE RELEASE

**ANCHOR ENTERS INTO LETTER OF INTENT WITH SPYDER IN RESPECT OF A  
PROPOSED QUALIFYING TRANSACTION**

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distribution or dissemination directly, or indirectly, in whole or in part, in or into the United States.*

CALGARY, ALBERTA – November 15, 2018 – Anchor Capital Corporation (TSXV:NEX: ANC.H) (“**Anchor**” or the “**Company**”) is pleased to announce that it has signed a non-binding letter of intent (the “**LOI**”) with Spyder Vapes Inc., a corporation existing under the laws of Canada (“**Spyder**”), which outlines the general terms and conditions pursuant to which Anchor and Spyder would be willing to complete a transaction that will result in a reverse take-over of Anchor by the shareholders of Spyder (the “**Transaction**”). The LOI was negotiated at arm’s length and is effective as of November 7, 2018.

The LOI is to be superseded by a definitive merger, amalgamation or share exchange agreement (the “**Definitive Agreement**”) to be signed on or prior to December 15, 2018, or such later date as may be mutually agreed upon by the parties in writing. The Transaction is subject to requisite regulatory approval, including the approval of the TSX Venture Exchange (the “**TSXV**”), and standard closing conditions, including the approval of the directors of each of Anchor and Spyder of the Definitive Agreement, completion of due diligence investigations to the satisfaction of each of Anchor and Spyder, and the conditions described below. The legal structure for the Transaction will be confirmed after the parties have considered all applicable tax, securities law and accounting efficiencies.

Anchor is incorporated under the provisions of the *Business Corporations Act* (Alberta) with its registered and head office in Calgary, Alberta. It is a capital pool company and intends for the Transaction to constitute its “Qualifying Transaction”, as such term is defined in the policies of the TSXV. Anchor is a “reporting issuer” in the provinces of British Columbia, Alberta and Ontario.

Since the Transaction is not a non-arm’s length transaction, Anchor is not required to obtain shareholder approval for the Transaction.

Trading in the common shares of Anchor is halted at present. It is unlikely that the common shares of Anchor will resume trading until the Transaction is completed and approved by the TSXV.

**Conditions to Transaction**

Prior to completion of the Transaction (and as conditions of closing):

- The parties will prepare a filing statement in accordance with the rules of the TSXV, outlining the terms of the Transaction.
- Anchor and Spyder will enter into a Definitive Agreement in respect to the Transaction on or prior to December 15, 2018.
- Anchor and Spyder will, if necessary, obtain the requisite board and shareholder approvals for the Transaction and any ancillary matters contemplated in the Definitive Agreement including to change the name of Anchor to “*Spyder Vapes Inc.*”

- All requisite regulatory approvals relating to the Transaction, including, without limitation, the TSXV, will have been obtained.
- Spyder will close the Private Placement (as defined below) for gross proceeds of up to \$2,000,000.

### **The Proposed Transaction**

#### *Pre-Closing Capitalization of Anchor*

As of the date hereof, Anchor has issued and outstanding 4,514,000 common shares of Anchor (each an “**Anchor Share**”) and securities exercisable or exchangeable for, or convertible into, or other rights to acquire, an aggregate of 551,400 common shares of Anchor at an exercise price of \$0.10 per Anchor Share. The Anchor Shares are currently listed on the NEX board of the TSXV under the symbol “ANC.H”.

#### *Pre-Closing Capitalization of Spyder*

Spyder is incorporated under the *Canada Business Corporations Act* and, as of the date hereof, has (a) 7,720,000 common shares issued and outstanding (collectively, the “**Spyder Shares**”), (b) 2,700,000 stock options exercisable to acquire 2,700,000 Spyder Shares (the “**Spyder Options**”), of which (i) 2,000,000 have an exercise price of \$0.05 and expire on September 1, 2022, (ii) 200,000 have an exercise price of \$0.10 and expire on September 4, 2023, and (iii) 500,000 have an exercise price have an exercise price of \$0.10 and expire on September 28, 2023; and (c) \$673,000 in principal amount of convertible debentures (the “**Outstanding Debentures**”), such Outstanding Debentures accruing interest at a rate of 10% per annum, and the principal amount and accrued interest thereon being convertible into Spyder Shares at \$0.05 per Spyder Share, of which (i) \$403,000 in Outstanding Debentures mature on July 1, 2019, (ii) \$10,000 mature on August 1, 2019, (iii) \$60,000 mature on November 1, 2019, (iv) \$50,000 mature on January 1, 2020, and (v) \$150,000 mature on February 1, 2020. It is intended that Spyder shall cause all “in-the-money” securities to be exercised, exchanged or converted, as the case may be, concurrently with the closing of the Transaction. Notwithstanding the foregoing, the holders of Spyder Options may, at the option of the holders thereof, elect to replace their Spyder Options with options to acquire Anchor Shares, but otherwise bearing the same terms as the Spyder Options which they replace.

Spyder is currently completing a non-brokered private placement of a principal amount of up to \$850,000 of secured debentures (the “**Debenture Financing**”) that may be convertible into an aggregate of 8,500,000 Spyder Shares (“**Debenture Shares**”) at a conversion price of \$0.10 per Spyder Share. The proceeds of the Debenture Financing are being applied to the current working capital needs of Spyder. The Debenture Financing is not contingent on the closing of the Transaction. The Debenture Shares will be exchanged for Anchor Shares upon the closing of the Transaction. There is no minimum dollar value placement requirement for the Debenture Financing.

In addition, Spyder may complete a separate non-brokered private placement of additional secured debentures in the aggregate principal amount of up to \$2,000,000 (the “**Private Placement**”; together with the Debenture Financing, the “**Spyder Financings**”), which will be convertible into a maximum of 10,000,000 units of Spyder (“**Units**”), at a price of \$0.20 per Unit. Each Unit will be comprised of one Spyder Share and one-half (1/2) of one Spyder Share purchase warrant (“**Spyder Warrants**”), with each whole Spyder Warrant entitling the holder thereof to acquire one additional Spyder Share, at an exercise price of \$0.40 per share, for a period of 24 months following the closing of the Private Placement. Upon closing of the Transaction, each Spyder Share and Spyder Warrant underlying the Units will automatically adjust in accordance with the terms thereof such that following the completion of the Transaction, the holders thereof shall be entitled to acquire an equivalent number of Anchor Shares and Anchor Warrants.

There is no minimum dollar value placement requirement for the Private Placement. It is anticipated that proceeds from the Private Placement will be used for new product development, sales, marketing and business development and for general working capital.

Spyder has agreed to pay 514 Finance Inc. and 2432692 Ontario Inc. (collectively, the “**Finders**”) a finder’s fee of 450,000 Spyder Shares and 300,000 Spyder Shares, respectively, which would be immediately issued and exchanged for Anchor Shares upon the successful closing of the Transaction. Each of 514 Finance Inc. and 2432692 Ontario Inc. are arm’s length to Spyder and Anchor. Such Spyder Shares are being issued at a deemed price of \$0.20 per Spyder Share for aggregate consideration of \$150,000.

*Terms of the Transaction*

Pursuant to the Transaction, one (1) Anchor Share, at a deemed value of \$0.20 per Anchor Share, will be issued to the holders of Spyder Shares (“**Spyder Shareholders**”) in exchange for each one (1) Spyder Share issued and outstanding as at the effective date of the Transaction.

Accordingly, the capital structure of Anchor (the “**Resulting Issuer**”), on a post-Transaction basis, would be as follows:

	Resulting Issuer Shares		Convertible Securities		Percentage	
	Assuming Minimum Spyder Financings	Assuming Maximum Spyder Financings	Assuming Minimum Spyder Financings	Assuming Maximum Spyder Financings	Assuming Minimum Spyder Financings	Assuming Maximum Spyder Financings
Anchor Shareholders	4,514,000	4,514,000	551,400 @ \$0.10	551,400 @ \$0.10	16.0%	9.2%
Spyder Shareholders	25,760,000 <sup>(1)</sup>	44,260,000	Nil <sup>(2)</sup>	5,000,000 @ \$0.40	81.6%	89.4%
Finders	750,000	750,000	Nil	Nil	2.4%	1.4%
<b>TOTAL</b>	<b>31,024,000</b>	<b>49,524,000</b>	<b>551,400</b>	<b>5,551,400</b>	<b>100%</b>	<b>100%</b>

Notes:

1. All of the Outstanding Debentures and the convertible debentures issued pursuant to the Spyder Financings will convert automatically upon Closing.
2. This assumes that all Spyder Options are exercised prior to Closing.

It is expected that the Resulting Issuer will be classified as a Tier 2 Technology Issuer.

No deposit or advance has been made by the Company to Spyder in connection with the Transaction.

## **About Spyder**

Founded in 2014 by entrepreneur Dan Pelchovitz, Spyder is an established chain of three high-end vape stores in Ontario, with stores located in Woodbridge, Scarborough and Burlington. The Spyder brand is defined by its high-quality proprietary line of e-juice, liquids and exclusive retail deals, dispensed in uniquely designed stores creating the optimal customer experience. This experience is defined by well trained and knowledgeable staff.

Spyder intends to leverage its brand and retail operating experience in the now-legal cannabis industry. Spyder is an applicant for a cannabis dispensary license, under the name “The Green Spyder”, in Calgary, Alberta, which is currently at the development permit and detailed review stage. Spyder is awaiting the release of Ontario’s regulations for private retail in order to pursue a similar strategy in Ontario.

### *Consolidated Financial Information Concerning Spyder*

Spyder is preparing its audited consolidated financial statements, which will be included in the filing statement that will be submitted to the TSXV and released in a subsequent press release.

## **Insiders, Officers and Board of Directors of the Resulting Issuer**

Upon completion of the Transaction, it is anticipated that the board of directors of the Resulting Issuer shall consist of a minimum of three and a maximum of ten directors, a majority of whom shall be nominated by Spyder. The nominees of Spyder are expected to consist of, at a minimum, Steven Glaser, Mark Pelchovitz and Dan Pelchovitz. The parties expect to determine the individuals that will act as officers of the Resulting Issuer in the near future.

Following completion of the Transaction, it is anticipated that only Saimi Pelchovitz will exercise control or direction over more than 10% of the issued and outstanding shares of the Resulting Issuer. Ms. Pelchovitz is expected to hold an aggregate of approximately 7,950,000 shares of the Resulting Issuer or 16.1% of the Resulting Issuer’s issued and outstanding shares, assuming the Spyder Financings are fully subscribed.

The following sets out the names and backgrounds of all persons who are expected to be considered insiders of the Resulting Issuer.

### *Dan Pelchovitz, Director*

Dan is a leader in the vape industry as the founder and managing partner of Spyder, an electronic cigarette device and accessory retailer and eJuice manufacture. In addition to launching Spyder, Daniel has been involved in several vape store launches. With 6 years of vape industry experience, Daniel has cultivated a loyal following of customers and built strong lasting relationship with many of the largest manufacturers in the business. Daniel is an active member in many of the industry’s self-guided associations.

### *Mark Pelchovitz, Director*

Mark is the current Chief Financial Officer of Spyder, where he manages the company’s finances and plays a vital role in guiding the operations of the organization. Mark has served on the advisory board of a start-up in the technology space. Mark is a partner at Truster Zweig LLP where his practice focuses primarily on accounting, auditing, and tax planning in a wide range of fields; including real estate, software development, travel, professionals, and the automotive industry. His client base is comprised of owner managed businesses.

***Steven Glaser, Director***

Mr. Glaser is a financial service executive with a diverse background in corporate finance, communications and governance for private and public companies. He is currently Chief Operating Officer and a Director at Pool Safe Inc., a company that designs, develops and distributes a product known as the “PoolSafe”. From 2008 through 2017, Mr. Glaser worked in the corporate finance and investment banking arena focused on assisting late stage private and early stage public companies with strategic planning and capital raising. Prior to that, Mr. Glaser spent seven years as Vice President Corporate Affairs of Azure Dynamics Corporation. He was responsible for the company’s corporate governance, its domestic and international stock exchange listings, as well as the build-out of the company’s Investor Relations division. Mr. Glaser holds a Bachelor of Administrative Studies degree as well as an M.B.A. in finance.

***Saimi Pelchovitz, Insider > 10% Shareholder***

Saimi is the Chief Design Officer at Spyder, where she manages the retail presence, layout, store designs and branding for the company. With over 20 years of experience in the retail, design and furniture business, Saimi has a keen eye for store design, flow and layouts. With each new store, Saimi brings modern design and comfort to the Spyder retail experience with the know-how and talent to turn an empty shell into a first class store.

**Sponsorship**

Sponsorship of a qualifying transaction of a capital pool company is required by the TSXV unless exempt in accordance with TSXV policies. Anchor is currently reviewing the requirements for sponsorship and may apply for an exemption from the sponsorship requirements pursuant to the policies of the TSXV, however, there is no assurance that Anchor will ultimately obtain this exemption. Anchor intends to include any additional information regarding sponsorship in a subsequent press release.

**Further Information**

All information contained in this news release with respect to Anchor and Spyder was supplied by the parties respectively, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

For further information regarding the Transaction, please contact:

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*Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and, if applicable, pursuant to the requirements of the TSXV, 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 TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.*

**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.**

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:** This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: the terms and conditions of the proposed Transaction; the intention of the parties to enter into the Definitive Agreement; the terms and conditions of the proposed Private Placement and Debenture Financing; listing as a Technology Issuer; use of funds; and the business and operations of the Resulting Issuer after the proposed Transaction. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. The material estimates and assumptions include the parties to the Definitive Agreement being able to obtain the necessary director, shareholder and regulatory approvals; TSXV policies not changing; and completion of satisfactory due diligence. Risk factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, but are not limited to: general business, economic, competitive, political and social uncertainties; conditions imposed by the TSXV; delay or failure to receive board, shareholder or regulatory approvals; changes in tax laws, general economic and business conditions; and the ability of the Resulting Issuer to execute and achieve its business objectives. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company cautions the reader that the above list of risk factors is not exhaustive. Accordingly, readers should not place undue reliance on forward-looking statements. Anchor and Spyder disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.