

Delota Signs Share Purchase Agreement to Acquire \$11.13M of Its Own Debt

Vaughan, Ontario--(Newsfile Corp. - February 14, 2022) - Delota Corp. (TSXV: LOTA) ("**Delota**" or the "**Company**"), an established Canadian cannabis and vape retailer, is pleased to announce that the Company has entered into a share purchase agreement (the "**Share Purchase Agreement**") with the shareholders of 2766563 Ontario Inc. ("**276 Ontario**") to acquire all of the issued and outstanding shares of 267 Ontario (the "**Shares**").

276 Ontario, led by [Plant-Based Investment Corp.](#) (CSE: PBIC), currently holds approximately \$11.13M in debt (the "**Debt**") of 2360149 Ontario Inc. d/b/a [180 Smoke](#), the Company's leading omni-channel Canadian specialty vape retailer that has a strong recognizable brand among Canadian adult vape consumers with over 230,000 registered customers across its B2C channel. The Company acquired [180 Smoke](#) on March 30, 2021.

Pursuant to the Share Purchase Agreement, the Company has agreed to purchase the Shares (the "**Acquisition**") for an aggregate purchase price of \$3,000,000.25 (the "**Purchase Price**"), which the Company will satisfy through the issuance of an aggregate of 12,000,001 common shares of the Company at a deemed price of \$0.25 per common share (the "**Consideration Shares**").

"I am pleased we could finalize the terms of the Acquisition with the shareholders of 276 Ontario which will effectively eliminate the Debt from the Company's balance sheet upon closing and should provide a significant bump to Delota's market capitalization. With a clean balance sheet and a strengthened public currency, Delota would be in a much stronger position to raise capital and entertain accretive M&A opportunities to expand its retail footprint and execute on our business plan," said Cameron Wickham, Executive Vice Chairman and CEO of Delota. "Our immediate focus continues to be on organic growth opportunities within our existing lease portfolio and net-new leases to introduce additional [Offside Cannabis](#) dispensaries to serve the value-conscious cannabis consumer and our forthcoming dispensary brand that will be positioned to provide a more experiential experience."

The parties will proceed to close the Acquisition upon satisfaction of the closing conditions, which includes the approval of the TSX Venture Exchange.

About Delota Corp.

Delota is an established cannabis and vape retailer that owns and operates a portfolio of Canadian retail brands well-positioned to capitalize on the evolving cannabis and nicotine retail sectors. Delota's goal is to build the most popular retail cannabis and nicotine brands in Canada by aggressively growing its retail footprint and developing retail banners that resonate with a loyal and growing cannabis and nicotine customer base. The company's current retail banners include [Offside Cannabis](#), [SPDR Cannabis](#) and [180 Smoke](#).

Cautionary Statements

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.

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance of the Company. The use of any of the words "could", "intend", "expect", "believe", "will", "may", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing

of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the business of the Company, statements with respect to the Company's intention to close the Acquisition, statements with respect to the Company's expectations with respect to the closing of the Acquisition allowing the Company to be in a stronger position to raise capital and entertain accretive M&A opportunities to expand its retail footprint, and the Company's intentions to introduce additional Offside Cannabis dispensaries to serve the value-conscious cannabis consumer, and statements regarding the Company's forthcoming dispensary brand. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the parties. The material factors and assumptions include regulatory and other third-party approvals, the ability of the Company to obtain regulatory approvals necessary to grow its retail footprint, the management of the Company choosing to proceed with the Acquisition on the terms and conditions outlined in this release, the Company's ability to obtain TSXV approval of the Acquisition, the Company's ability to pursue retail expansion and the development of a dispensary brand on the terms and conditions discussed in this release, and other risks. The forward-looking information contained in this release is made as of the date hereof and the parties are not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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