

DELOTA CORP. ANNOUNCES INTENTION TO COMPLETE DEBT SETTLEMENTS

Vaughan, Ontario – January 26, 2024 – Delota Corp. (“**Delota**” or the “**Company**”) (CSE: LOTA) is pleased to announce that the Company intends to settle (together, the “**Debt Settlements**”) up to a maximum of \$215,000.10 in debt through the issuance of up to a maximum of 1,535,715 units of the Company (each, a “**Unit**”) at a price of \$0.14 per Unit. Each Unit will consist of one common share in the capital of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each, a “**Warrant**”). Each Warrant shall entitle the holder thereof to acquire one additional Common Share (each, a “**Warrant Share**”) at a price of \$0.15 per Warrant Share for a period of 24 months from the date of issuance.

The Company and each respective creditor have agreed to complete the Debt Settlements to preserve the Company’s cash for working capital. A portion of the debt being settled includes accrued wages to officers and directors of the Company, but none of the debt includes payment for Investor Relations Activities (as such term is defined in the policies of the Canadian Securities Exchange (the “**CSE**”).

All securities proposed to be issued in connection with the Debt Settlements will be subject to a statutory hold period of four months and one day from the date of issuance. Each Debt Settlement is expected to close concurrently on or about February 5, 2024, subject to customary closing conditions, including, but not limited to, finalizing all contractual documentation and receipt of all applicable regulatory approvals, as applicable, including compliance with the policies of the CSE.

Related Party Transaction

A portion of the settled debt, in the amount of \$165,000.08, will constitute a “related party transaction”, as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”) due to the involvement of each of Cameron Wickham, Ankit Gosain, Daniel Pelchovitz, Marc Askenasi and Steven Glaser (together, the “**Insiders**”), each of whom is a director and/or officer of the Company, and would require the Company to receive minority shareholder approval for, and obtain a formal valuation for the subject matter of, the transaction in accordance with MI 61-101, prior to the completion of each such transaction. However, in completing each respective Debt Settlement, the Company intends to rely on exemptions from: (x) the formal valuation requirements of MI 61-101, on the basis that the Company is not listed on Specified Markets (as defined in MI 61-101), as determined in accordance with MI 61-101; and (y) the minority shareholder approval requirements of MI 61-101, on the basis that the fair market value of each of the Insider’s participation in their respective Debt Settlement does not and will not exceed \$2,500,000, as determined in accordance with MI 61-101.

About Delota Corp.

Delota Corp. is a nicotine vape enterprise that spearheads the smoke-free revolution in Canada, catering to adult consumers seeking alternative to traditional combustible tobacco. With a strong emphasis on delivering exceptional retail experiences and carefully curated product offerings, the Company is dedicated to redefining the way people transition away from smoking. The Company’s flagship brand, 180 Smoke Vape Store, stands as Ontario’s largest specialty omnichannel vape retailer, fueling innovation, growth, and leadership in the retail vape space.

For more information about Delota, please visit www.delota.com and its profile page on SEDAR+ at www.sedarplus.ca.

Neither the CSE nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking

statements. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “strategy”, “expects” or “does not expect”, “intends”, “continues”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or may contain statements that certain actions, events or results “will be taken”, “will launch” or “will be launching”, “will include”, “will allow”, “will be made” “will continue”, “will occur” or “will be achieved”. Forward-looking statements in this news release include statements relating to the stated terms, and timeline of the Debt Settlements; the Company’s issuance of the Units, Common Shares and Warrants (and the underlying Warrant Shares if exercised); and the Debt Settlements will be conducted in accordance with the policies of the CSE and applicable securities laws.

Forward-looking information in this press release are based on certain assumptions and expected future events, including but not limited to: the Company will complete the Debt Settlements; the Company has the ability to carry out the Debt Settlements as stated; the Company has the ability to issue the Units, Common Shares and Warrants (and the underlying Warrant Shares if exercised); and the Debt Settlements being conducted in accordance with the policies of the CSE and applicable securities laws.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company’s inability to carry out the Debt Settlements as stated; the Company’s inability to issue the Units, Common Shares and/or Warrants (and the underlying Warrant Shares if exercised); and the Debt Settlements not being conducted in accordance with the policies of the CSE and/or applicable securities laws, as well as those risk factors discussed or referred to in disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at www.sedarplus.ca.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this press release are expressly qualified by this cautionary statement and reflect the Company’s expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward- looking information, except as required by applicable law.

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