

## FORM 9

### **NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES** **(or securities convertible or exchangeable into listed securities)**

Name of Listed Issuer:

Symbol(s):

Captor Capital Corp. (the "Issuer").

CPTR

Date: December 16, 2021

Is this an updating or amending Notice: ☐ Yes ☒ No

If yes provide date(s) of prior Notices: \_\_\_\_\_.

Issued and Outstanding Securities of Issuer Prior to Issuance: 51,254,837 Common  
Shares as of December 16, 2021 .

#### **Pricing**

Date of news release announcing proposed issuance: December 14, 2021 or

Date of confidential request for price protection: \_\_\_\_\_

Closing Market Price on Day Preceding the news release: \$1.10 or

Day preceding request for price protection: \_\_\_\_\_

#### **Closing**

Number of securities to be issued: 27,018,384 Common Shares

Issued and outstanding securities following issuance: 78,273,221 Common Shares

## Part 1. Private Placement

**Table 1A – Summary**

Each jurisdiction in which purchasers reside	Number of Purchasers	Price per Security	Total dollar value (CDN\$) raised in the jurisdiction
N/A			
Total number of purchasers:			
Total dollar value of distribution in all jurisdictions:			

**Table 1B – Related Persons**

Full Name & Municipality of Residence of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable) (CDN\$)	Prospectus Exemption	Total Securities Previously Owned, Controlled or Directed	Payment Date <sup>(1)</sup>	Describe relations -hip to Issuer
N/A							

<sup>1</sup>An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

- Total amount of funds to be raised: N/A .
- Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. N/A .

**FORM 9 – NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES**

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: NA \_\_\_\_\_ .
4. If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities.
5. Description of securities to be issued:
- (a) Class N/A \_\_\_\_\_ .
  - (b) Number N/A \_\_\_\_\_ .
  - (c) Price per security N/A \_\_\_\_\_ .
  - (d) Voting rights N/A \_\_\_\_\_ .
6. Provide the following information if warrants, (options) or other convertible securities are to be issued:
- (a) Number N/A \_\_\_\_\_ .
  - (b) Number of securities eligible to be purchased on exercise of warrants (or options) N/A \_\_\_\_\_ .
  - (c) Exercise price N/A \_\_\_\_\_ .
  - (d) Expiry date N/A \_\_\_\_\_ .
7. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount N/A \_\_\_\_\_ .
  - (b) Maturity date N/A \_\_\_\_\_ .
  - (c) Interest rate N/A \_\_\_\_\_ .
  - (d) Conversion terms N/A \_\_\_\_\_ .
  - (e) Default provisions N/A \_\_\_\_\_ .
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A .
- (b) Cash N/A .
- (c) Securities N/A .
- (d) Other N/A .
- (e) Expiry date of any options, warrants etc. N/A .
- (f) Exercise price of any options, warrants etc. N/A .
9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship \_\_\_\_\_  
N/A .
10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).  
N/A  
~~December 14, 2021~~ .
11. State whether the private placement will result in a change of control.  
N/A .
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. N/A  
\_\_\_\_\_  
\_\_\_\_\_ .

Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.

## Part 2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: The Issuer will acquire all of the issued and outstanding common stock of Three Habitat Consulting Holdco Inc. ("Three Habitat"), a Delaware corporation, which holds a 49% interest in Captor Retail Group Inc. ("Captor Retail"), a joint venture company between the Issuer and Three Habitat that owns and operates a chain of cannabis retail dispensaries in the State of California operating under the "One Plant" brand. As a result of the acquisition, the Issuer will acquire full beneficial ownership of Captor Retail.  
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2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material: On December 13, 2021, the Issuer, Three Habitat and the stockholders of Three Habitat entered into a stock purchase agreement (the "Agreement") pursuant to which the Issuer will acquire all issued and outstanding common stock of Three Habitat (the "Transaction"). The purchase price will be fully satisfied through the issuance of common shares in the capital of the Issuer to the stockholders of Three Habitat on a pro-rata basis. Closing of the Transaction is subject to receipt of all necessary regulatory and third-party approvals and the satisfaction of other customary closing conditions as set out in the Agreement. The Transaction is expected to close on or before March 31, 2022.  
 .
3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
  - (a) Total aggregate consideration in Canadian dollars: \$29,720,222.60 .
  - (b) Cash: Nil .
  - (c) Securities (including options, warrants etc.) and dollar value: 27,018,384 common shares of the Issuer at a deemed issue price of \$1.10 per common share. .
  - (d) Other: None. .
  - (e) Expiry date of options, warrants, etc. if any: N/A .
  - (f) Exercise price of options, warrants, etc. if any: N/A .

(g) Work commitments: N/A .

4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).  
arm's length negotiation.
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: None .
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (if not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer <sup>(1)</sup>
Sydney Dunmore	4,242,556 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Non-Related Person
Julia Marguerite Hester	4,242,556 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Non-Related Person
Adam Wilks	669,877 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Related Person
Fruzer Inc.  Insider: Aaron Serruya	4,465,849 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Non-Related Person
Indulge Inc.  Insider: Simon Serruya	4,465,849 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Non-Related Person
2559923 Ontario Inc.  Insider: Aaron Serruya	4,465,849 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Non-Related Person
Jackpot Inc.	4,465,849 common shares	\$1.10	n/a	NI 45-106, s. 2.16	Nil	Non-Related Person

**FORM 9 – NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES**

Insider: Jack Serruya						
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(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: The Issuer completed customary legal and financial due diligence of Three Habitat.
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):
  - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A
  - (b) Cash N/A
  - (c) Securities N/A
  - (d) Other N/A
  - (e) Expiry date of any options, warrants etc. N/A
  - (f) Exercise price of any options, warrants etc. N/A
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. the Issuer has obtained the express written consent of each applicable individual to:
  - (a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and
  - (b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CSE Policy 1).
5. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated December 14, 2021.

John Zorbas

Name of Director or Senior  
Officer



Signature

CEO

Official Capacity