

## FORM 9

### **NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES**

**(or securities convertible or exchangeable into listed securities<sup>1</sup>)**

Name of Listed Issuer:

Symbol(s):

|                      |                 |      |
|----------------------|-----------------|------|
| Delic Holdings Corp. | (the "Issuer"). | DELC |
|----------------------|-----------------|------|

Date: December 2, 2021 Is this an updating or amending Notice:  Yes  No

If yes provide date(s) of prior Notices: May 26, 2021

Issued and Outstanding Securities of Issuer Prior to Issuance:

73,126,930 Subordinate Voting Shares and 501,171.97 Multiple Voting Shares convertible into Subordinate Voting Shares on a 1:100 basis = 50,117,197 (if converted) to total 123,244,127 Subordinate Voting Shares

4,937,220 Options

38,747,457 Warrants

#### **Pricing**

Date of news release announcing proposed issuance: February 25, 2021 or

Date of confidential request for price protection: N/A

Closing Market Price on Day Preceding the news release: \$0.66 or

Day preceding request for price protection: N/A

#### **Closing**

Number of securities to be issued: 2,350,693 Subordinate Voting Shares

Issued and outstanding securities following issuance: 75,477,623 Subordinate Voting Shares and 501,171.97 Multiple Voting Shares convertible into Subordinate Voting Shares on a 1:100 basis = 50,117,197 (if converted) to total 125,594,820 Subordinate Voting Shares

4,937,220 Options

38,747,457 Warrants

#### **Instructions:**

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons

4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.
5. 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 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions*. In addition, the completed form must be delivered to [listings@thecse.com](mailto:listings@thecse.com) with an appendix that includes the information in Table 1B for ALL placees.

**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 |
|  |                      |                    |   |
|  |                      |                    |   |
| 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(1) | Describe relationship to Issuer (2) |
|---|---|-------------------------------------|--|----------------------|---|-----------------|-------------------------------------|
|   |   |                                     |  |                      |   |                 |                                     |
|   |   |                                     |  |                      |   |                 |                                     |
|   |   |                                     |  |                      |   |                 |                                     |

<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:
- 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.

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer:
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 \_\_\_\_\_ .
  - (b) Number \_\_\_\_\_ .
  - (c) Price per security \_\_\_\_\_ .
  - (d) Voting rights \_\_\_\_\_ .
6. Provide the following information if warrants, (options) or other convertible securities are to be issued:
  - (a) Number \_\_\_\_\_ .
  - (b) Number of securities eligible to be purchased on exercise of warrants (or options) \_\_\_\_\_ .
  - (c) Exercise price \_\_\_\_\_ .
  - (d) Expiry date \_\_\_\_\_ .
7. Provide the following information if debt securities are to be issued:
  - (a) Aggregate principal amount \_\_\_\_\_ .
  - (b) Maturity date \_\_\_\_\_ .
  - (c) Interest rate \_\_\_\_\_ .
  - (d) Conversion terms \_\_\_\_\_ .
  - (e) Default provisions \_\_\_\_\_ .
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): \_\_\_\_\_ .

- (b) Cash \_\_\_\_\_ .
- (c) Securities \_\_\_\_\_ .
- (d) Other \_\_\_\_\_ .
- (e) Expiry date of any options, warrants etc. \_\_\_\_\_ .
- (f) Exercise price of any options, warrants etc. \_\_\_\_\_ .

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

10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).

11. State whether the private placement will result in a change of control.

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.

13. 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 has executed a definitive share purchase agreement (the "**Agreement**") to acquire all of the issued and outstanding shares in the capital of Complex Biotech Discovery Ventures ("**CBDV**"), a licensed psilocybin and cannabis research laboratory focused on extraction, analytical testing, and chemical process development.

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:

Under the terms of the Agreement, DELIC will acquire all of the issued and outstanding shares in the capital of CBDV. The purchase price will be satisfied through the issuance of subordinate voting shares in the capital of DELIC (the "**Consideration Shares**") equal in value to CAD \$7,000,000 (the "**Purchase Price**"), to be issued at a price per share equal to the higher of: (a) the ten (10) trading day volume weighted average trading price ("**VWAP**") of the Consideration Shares on the Canadian Securities Exchange (or such other recognized stock exchange upon which the Consideration Shares are listed for trading) (the "**Exchange**") in the ten (10) trading days immediately prior to the date of the Agreement (February 24, 2021), and (b) the maximum discount under the policies of the Exchange applicable to the closing price of the Consideration Shares on the Exchange on the trading day immediately prior to the closing date. This results in a price per Consideration Share of \$0.70, being the 10 day VWAP.

The Consideration Shares issued to the sellers of CBDV will be subject to certain contractual hold periods. In addition, each of the sellers of CBDV will enter into voting support agreements with a two-year term, pursuant to which they will agree to vote their Consideration Shares as directed by the board of directors of DELIC, subject to certain customary exclusions.

In addition, pursuant to the Agreement, for so long as Dr. Roggen (CEO of CBDV) holds not less than 10% of the shares in DELIC, and at least for the first two years following closing of the Transaction, DELIC agrees to appoint one nominee of Dr. Roggen to the board of directors of DELIC. In the event Dr. Roggen ceases to have nomination rights pursuant to the foregoing, Dr. Roggen shall use commercially reasonable efforts to cause his nominee to resign immediately.

Dr. Roggen has agreed to execute an employment agreement with DELIC upon closing of the Transaction. In addition, Dr. Roggen and DELIC will enter into an earn-out agreement on closing (the "Earn Out Agreement"). Pursuant to the Earn Out Agreement, Dr. Roggen will be eligible to earn additional consideration for completing the Transaction of up to CAD\$3,000,000, to be paid in Consideration Shares, subject to achievement of certain milestones. The milestone payments will be based on the higher of: (a) ten (10) trading day VWAP of the Consideration Shares on the Exchange in the ten (10) trading days prior to the date the respective milestone, and (b) the maximum discount under the policies of the Exchange applicable to the closing price of the Consideration Shares on the Exchange on the trading day immediately prior to the date of the respective milestone.

The closing of the Transaction is subject to customary closing conditions, including necessary third-party consents and approvals, including approval of the Exchange, if required.

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: \$7,000,000 purchase price
  - (b) Cash: \$0
  - (c) Securities (including options, warrants etc.) and dollar value: 10,000,000 subordinate voting shares of the Issuer at a price of \$0.70 per share (the ten (10) day VWAP as of February 24, 2021) for total value of \$7,000,000.
  - (d) Other: Pursuant to the Earn Out Agreement, Dr. Roggen will be eligible to earn additional consideration of up to CAD\$3,000,000, to be paid in Consideration Shares, subject to achievement of certain milestones. The milestone payments will be based on the higher of: (a) ten (10) trading day VWAP of the Consideration Shares on the Exchange in the ten (10) trading days prior to the date the respective milestone, and (b) the maximum discount under the policies of the Exchange applicable to the closing price of the Consideration Shares on the Exchange on the trading day immediately prior to the date of the respective milestone. The milestone triggering payment of CAD\$500,000 to Dr. Roggen was achieved on October 29, 2021. The milestone payment was satisfied through the issuance of subordinate voting shares in the capital of DELIC equal in value to CAD\$500,000 issued at a price per share of CAD\$0.2127032 being the 10 day VWAP as of October 28, 2021.

- (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: None.
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).
- The Agreement was signed following an arm's length negotiation among the parties.
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: N/A.
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:
- Shares issued on closing are 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      | Total Securities, Previously Owned, Controlled or Directed by Party | Describe relationship to Issuer <sup>(1)</sup> |
|--|--|-----------------------------------|----------------------------------|---------------------------|---|--|
| Dr. Markus Roggen <sup>(2)</sup>                                     | 6,428,571 SVS                              | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |
| Dr. Glenn Sammis   | 2,142,857 SVS                              | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |
| Dr. John Coleman   | 714,286 SVS                                | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |
| Kendra Payne   | 214,286 SVS                                | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |
| Sajni Shah   | 214,286 SVS                                | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |
| Dr. Tom Dupree   | 142,857 SVS                                | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |
| Simon Tankel   | 142,857 SVS                                | \$0.70                            | N/A                              | Section 2.16 of NI 45-106 | None  | N/A  |

(1) Indicate if Related Person

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(2) Does not include any earn-out payments.

Shares issued in connection with the achievement of first milestone under the Earn Out Agreement are 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      | Total Securities, Previously Owned, Controlled or Directed by Party | Describe relationship to Issuer <sup>(1)</sup>    |
|--|--|-----------------------------------|----------------------------------|---------------------------|---|---|
| Dr. Markus Roggen <sup>(1)</sup>                                     | 2,350,693 SVS                              | 0.2127032                         | N/A                              | Section 2.24 of NI 45-106 | 6,428,571 SVS   | President and Chief Science Officer of subsidiary |

(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 Agreement contains customary representations and warranties regarding the assets being acquired.

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.): N/A

(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): \_\_\_\_\_

(b) Cash \_\_\_\_\_ .

(c) Securities \_\_\_\_\_ .

(d) Other \_\_\_\_\_ .

(e) Expiry date of any options, warrants etc. \_\_\_\_\_

(f) Exercise price of any options, warrants etc. \_\_\_\_\_ .

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 2, 2021.

Mathew Lee  
Name of Director or Senior  
Officer

"Mathew Lee"  
Signature

CFO  
Official Capacity

## Appendix A

### PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, “CSE or the “Exchange”) collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

- 
- To determine whether an individual is suitable to be associated with a Listed Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with Exchange Requirements and applicable securities legislation; and
- To fulfil the Exchange’s obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.