

February 12, 2021



Choice Consolidation Corp. Increases Size of Initial Public Offering to U.S.\$150,000,000 and Files Final Prospectus

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TORONTO, Feb. 12, 2021 /CNW/ - Choice Consolidation Corp. (the "**Corporation**"), a newly-organized special purpose acquisition corporation (SPAC) formed for the purpose of effecting an acquisition of one or more businesses or assets, today announced that, due to strong demand, it has agreed with the Underwriters (as defined below), to increase the size of its previously announced initial public offering to U.S.\$150,000,000 (the "**Offering**") and that it has filed a final prospectus in connection with the Offering.

The Corporation will search for target businesses with a focus on cannabis cultivation, production distribution, brands, manufacturing and/or retailing businesses or related businesses; however, it is not limited to a particular industry or geographic region for purposes of completing its qualifying transaction. The Corporation intends to target existing strong single-state operators in markets with high barriers to entry, distressed assets that require minimal to moderate incremental capital to 'turn on' and paper licenses in targeted states that can be obtained on accretive terms.

The Corporation's management team and board of directors combines retail and cannabis industry expertise and includes:

- Joe Caltabiano – Chief Executive Officer and Director
 - Co-founder and former President, Cresco Labs Inc.;
- Lois A. Mannon – Chief Financial Officer
 - Founder and Chief Executive Officer, Mannon Consulting LLC;
- Peter Kadens – Director
 - Former Chief Executive Officer, Green Thumb Industries Inc. and independent board director; and
- Lisa Gavales – Director
 - Independent board director.

The final prospectus has been filed with the securities regulatory authorities in each of the provinces and territories of Canada other than Québec. Pursuant to the upsized deal terms, the Offering is for 15,000,000 class A restricted voting units of the Corporation (the "**Class A Restricted Voting Units**") at an offering price of U.S.\$10.00 per Class A Restricted Voting Unit for aggregate proceeds of U.S.\$150,000,000. Each Class A Restricted Voting Unit is comprised of a class A restricted voting share of the Corporation (a "**Class A Restricted**

Voting Share") and one-quarter of a share purchase warrant of the Corporation (a **"Warrant"**). Each whole Warrant will entitle the holder to purchase one Class A Restricted Voting Share for a purchase price of U.S.\$11.50, commencing sixty-five (65) days after the completion of the qualifying transaction and will expire on the day that is five years after the closing date of the qualifying transaction or earlier.

The Class A Restricted Voting Units will trade as a unit prior to the closing of the qualifying transaction and may only be redeemed as a unit. Class A Restricted Voting Units will be redeemable for a *pro-rata* portion of the amount then held in the escrow account, net of taxes payable and other prescribed amounts. Each Class A Restricted Voting Unit will separate following the closing of the qualifying transaction into one common share of the Corporation and one-quarter of a Warrant.

The Offering is being distributed by Canaccord Genuity Corp. and Beacon Securities Limited (together, the **"Underwriters"**). The Corporation has granted the Underwriters a non-transferable over-allotment option (the **"Over-Allotment Option"**) to purchase up to an additional 2,250,000 Class A Restricted Voting Units on the same terms and conditions, exercisable in whole or in part, by the Underwriters up to 30 days following closing of the Offering.

The gross proceeds of the Offering (along with the gross proceeds from any exercise of the Over-Allotment Option) will be placed in escrow pending completion of a qualifying transaction by the Corporation and will only be released upon certain prescribed conditions.

The Neo Exchange Inc. (the **"Exchange"**) has conditionally approved the listing of the Class A Restricted Voting Units under the symbol "CDXX.UN.U", subject to fulfilling all of the Exchange's requirements.

The sponsors of the Corporation are Choice Consolidation SM Sponsor LLC and Calti Choice Sponsor LLC (together, the **"Sponsors"**). The Sponsors intend to purchase 5,000,000 share purchase warrants (**"Sponsors' Warrants"**) at an offering price of U.S.\$1.00 per Sponsors' Warrant for aggregate proceeds equal to U.S.\$5,000,000, concurrently with the closing of the Offering. In addition, certain entities under common control of a Sponsor (including entities that are, or are advised by, their affiliates) have committed \$37.5 million of non-redeemable capital through the purchase of an aggregate of 3,750,000 Class A Restricted Voting Units under the Offering.

The closing is expected to occur on or about February 19, 2021.

Blake, Cassels & Graydon LLP is acting as legal counsel to the Corporation and the Sponsors. Goodmans LLP is acting as legal counsel to the Underwriters.

The Offering is only being made to the public by prospectus. The final prospectus contains important detailed information about the securities being offered. Copies of the final prospectus may be obtained from the Underwriter listed above. Investors should read the final prospectus before making an investment decision.

This press release is not an offer of securities for sale in the United States, and the securities may not be offered or sold in the United States absent registration or an exemption from registration. The securities have not been and will not be registered under

the United States Securities Act of 1933. Copies of the final prospectus will be available on SEDAR at www.sedar.com.

About Choice Consolidation Corp.

Choice Consolidation Corp. is a newly organized special purpose acquisition corporation incorporated under the laws of the Province of British Columbia for the purpose of effecting, directly or indirectly, a qualifying transaction within a specified period of time.

Forward-Looking Statements

This press release may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Sponsors' and the Corporation's current expectations regarding future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Sponsors' or the Corporation's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, failure to complete the Offering, intentions related to the Corporation's qualifying transaction and related transactions, and the factors discussed under "Risk Factors" in the final prospectus of the Corporation dated February 12, 2021. None of the Sponsors nor the Corporation undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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