

CAPTOR CAPITAL CORP.

FOR IMMEDIATE RELEASE

CAPTOR RESUMES TRADING AS A CANNABIS FOCUSED INVESTMENT COMPANY

August 8, 2018

Toronto, Ontario – Captor Capital Corp. (“Captor” or the “Company”) (CSE:CPTR; USOTC:NWURF FRANKFURT:NMV) today resumed trading on the Canadian Securities Exchange as a cannabis focused investment company. The Company is pleased to provide a comprehensive update on the Company’s strategy, leadership, and investments and report a significant amount of progress during its halted period.

Retail Opportunities

Continuing the focus on the California retail market, Captor, through its wholly owned U.S. subsidiary, yesterday acquired a third California dispensary in Santa Cruz for USD\$6.1 in cash, Capitola Healing Association (Chai Cannabis Inc., “Chai”). According to the dispensary’s unaudited financial statements, it had average annual revenues of approximately USD\$10 million over the last three years. Captor will be seeking to grow Chai’s sales through the addition of a delivery license and doubling its sales floor space.

Additionally, Captor is currently in the process of negotiating and documenting the acquisition of two additional retail dispensaries, one in Monterey Bay, CA and one in Silicon Beach, CA. Upon completion of these acquisitions, Captor will hold a total of five retail cannabis dispensaries in California and will have positioned itself to become a dominant player in the California retail cannabis market.

Captor has seen growth in both Medmen locations in Southern California throughout 2018. Revenue in the first quarter of 2018, following recreational legalization were up several hundred percent for both of Captor’s MedMen dispensary locations.

Captor’s West Hollywood MedMen branded dispensary achieved approximately \$6.4 million USD in revenue in Q1 2018, and the store is expected to reach approximately the same level sales in Q2 of 2018. Captor’s Santa Ana MedMen branded dispensary achieved approximately \$1.1 million USD in revenue in Q1 of 2018 and management expects revenue to increase in the second quarter of 2018.

Manufacturing Opportunities

Captor is in the final stages of negotiation and documentation of terms with Mellow Extracts, LLC. Mellow will own and operate in a state-of-the-art extraction lab facility in Costa Mesa, California. The facility has been completed and awaiting final inspections. Mellow will produce ultra-premium oil and provide service-for-hire extraction, as well as co-packing capacities for white label and private label cannabis brands focusing on cannabis extracts., In addition to this Mellow will provide oils and premium concentrates to Captor’s retail outlets. Mellow has carved out a unique position as a supply chain partner between distributors and brands. With a committed book of business averaging \$500,000 USD in monthly sales. Mellow has a strong platform from which to grow in this expanding sector. Through selectively working with leading brands, Mellow is positioned to become a major player in the market. In addition Mellow currently has applications for three licenses in San Diego in conjunction with a local partner.

Cultivation Opportunities

Our wholly owned subsidiary (I-5 Holdings) has two cultivation operations in the state of Washington. Both are operating tier 2 licenses under their allowed 10,000 sq ft of cultivation space. The acquisition of and investments in these cultivation assets has resulted in revenue of approximately \$100,000 USD per month from its cultivation operations. I-5 will continue to build out both facilities to their full potential of 10,000 sq ft of cultivation canopy.

Overall Outlook

Captor has shifted its focus to investments in the US cannabis market and has been rewarded for the partnerships it has founded and investments it has made. Throughout the rest of 2018 Captor will look to acquire/ invest in additional retail opportunities in California to expand its portfolio of assets with a significant pipeline. As Captor continues to expand it will look to create a brand of quality that will be recognizable across the state that customers will come to trust.

Captor Investment Strategy

Through partnership with top brands, such as MedMen, high value dispensary locations and cultivation operations, Captor seeks to capitalize upon the combination of its intellectual property and extensive network of industry relationships to provide its customers with a wide variety of products and a best in class experience. The primary strategic focus of Captor is to acquire profitable, established cannabis focused companies that require capital to scale. To efficiently engage Captor's well-defined and deep pipeline of cultivation and dispensary targets, the Company will acquire them at favorable prices, and unlock the intrinsic value of these firms through operational enhancements.

Target investments will be top quality operations with experienced management and defined business plans. Acquisitions will be selected based off of synergy, possibly with current existing brands, locations, and operations. Upon acquisition the investments will be integrated and supported to enhance operations and profitability. With an initial focus on the high value markets of California and Nevada, Captor is building a team of experienced operators designed to support organic growth. Captor will continue to expand its geographic footprint as the industry evolves legally within the USA, and potentially internationally, depending on the regulatory framework.

In addition to developing its robust pipeline and completing key acquisitions, Captor has significantly added to its management team which comprises a mix of leading entrepreneurs, banking and corporate professionals and cannabis operators. Captor will continue to add to its management team and operational team as the company accelerates its growth.

Captor Leadership

John Zorbas - CEO

Mr. John Zorbas is an entrepreneur with a proven track record in the exploration, development industry and the investment banking specifically in the hospitality and retail industry. He has held senior advisory positions in various facets of business including operations, marketing, sales, strategic planning and structured finance. Has directly completed over 2 billion dollars in structured financing and Merger and Acquisitions.

John MacPhail - Founder and CEO of I-5 Holdings Ltd (Subsidiary of Captor)

Mr. John MacPhail is most recently the founder and CEO of I-5 Holdings Ltd. and sits on the board of Mainstem Goods & Services. I-5 Holdings Ltd. is a Canadian cannabis company focused on the USA sector. Mr. Macphail has been actively involved in the Cannabis sector for the past 3 years. Under his leadership the company acquired two dispensaries in California, partnered with two cultivators in Washington state, created growth in a goods and services procurement company, and assisted in the opening of a laboratory in California.

Matt Longo - Director of Manufacturing & Cultivation

Mr. Matt Longo has over 15 years operating experience in the cannabis industry and has extensive agricultural and supply chain knowledge. Mr. Longo has guided the set-up of Prop 215 compliant businesses in California and navigated the

complex and multi-layered regulatory environments. Additionally he has years of experience in general cultivation, agriculture, and held various operational roles at Anheuser-Busch Distributors.

Shawn Groshans - *Head of Business Development*

Shawn Groshans has approximately 20 years in merchant banking and corporate finance with experience in private equity investing, advising companies on mergers and acquisitions, capital raising, business development, and restructuring. Subsequent to his experience in banking he took a role as Head of Business Development for a global intelligence and cyber-security firm, in addition to his involvement in entrepreneurial ventures including the cannabis industry.

Oliver Summers - *Director of Retail Dispensaries*

Mr. Oliver Summers has been a Los Angeles Medical Cannabis advocate since 2005, speaking and promoting cannabis numerous times on the behalf of patients. He has owned and operated three dispensaries in LA since 2006 and is a Master Cultivator of boutique proprietary cannabis strains. Mr. Summers is an original member and moderator of the Greater Los Angeles Collective Alliance (GLACA), a member of Americans For Safe Access (ASA), Marijuana Policy Project (MPP), Patients Advocacy Network (PAN).

Captor Investments

- MedMen Santa Ana Dispensary – 100 per cent ownership
- MedMen West Hollywood Dispensary – 100 per cent ownership
- Chai (Capitola Healing Association Inc.) – 100 per cent ownership
- 3863 Hannegan Road, Bellingham, Washington Assets – Owns all LCB approved assets & IP
- 5873 Guide Meridian, Bellingham, Washington Assets – Owns all LCB approved assets & IP
- Main Stem Goods and Services – 7.5 per cent ownership

For full details on the above listed investments please download the corporate presentation available to the public at our new website – www.captorcapi.com.

Grant of Options

Captor announces that yesterday it granted options to Jing Peng (CFO), 500,000 options, to Henry Kloepper (Director), 500,000 options, Alex Dementev (Director), 500,000, Kyle Appleby (Director), 1,000,000, John Macphail (CEO of I-5 Holdings Ltd.) 3 million and 5 million options to Alegana Enterprises Ltd the company through which the services of John Zorbas (CEO) are provided to Captor. In addition the company has awarded stock options to its new employees and consultants that have joined the company, in the aggregated amount 26 million. All stock options are fully vested and exercisable at 30 cents per common share of Captor for a period of 2 years.

Termination of Non-Binding Term Sheet.

Captor Capital Corp, announces today that the previously announced non-binding term sheet with leading California cannabis company, Growth Network Holdings, Inc. has mutually been terminate.

About Captor Capital

Captor Capital Corp. is a Canadian firm focused on the cannabis sector listed on the Canadian Securities Exchange, the OTC, and the Frankfurt Stock Exchange. A vertically integrated cannabis company, Captor provides recreational and medical marijuana based products to consumers via its leading brands and dispensary locations. Listed on the Canadian Securities Exchange, the OTCUSA, and the Frankfurt Stock Exchange, Captor owns and operates advanced growing facilities which produce consistent high quality contaminant free marijuana for its customers, as well as other high demand cannabis based goods for consumption. The company follows a strategy of acquiring cash flowing established

companies and organizations with growth potential that require capital to scale. Captor currently has a number of revenue generating cannabis investments including two wholly owned branded MedMen dispensaries – the world famous West Hollywood location and the showpiece Orange County dispensary in Santa Ana. Captor Capital is currently looking at additional revenue generating investments in the cannabis space and will be updating the market in due course.

For further information, please contact

Gavin Davidson
Captor Capital Corp.
705.446.6630
gavin@captorcapital.com

Forward-Looking Statements

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This press release contains or refers to forward-looking information, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to availability of investment opportunities, economic circumstances, market fluctuations and uncertainties, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, and the other risks involved in the investment industry and junior capital markets. Forward-looking statements are subject to significant risks and uncertainties, and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.