



Captor Capital Announces Delay in Filing Annual Financial Statements and Responds to Filing of Civil Complaint

TORONTO, July 10, 2020 -- **Captor Capital Corp.** ("**Captor**" or the "**Company**") (CSE: CPTR; FRANKFURT: NMVA; USOTC:CPTRF) today announced that its annual financial statements for the year ended March 31, 2020 and accompanying management's discussion and analysis, and related CEO and CFO certifications (the "**Annual Filings**") which were due on July 29, 2020 and initially scheduled for release on July 29, 2020, will now be delayed by approximately one month. The Company expects to file its Annual Filings on or before August 31, 2020.

In accordance with Ontario Instrument 51-505 - *Temporary Exemption from Certain Corporate Finance Requirements with Deadlines during the Period from June 2 to August 31, 2020* of the Ontario Securities Commission (and similar exemptions provided by the securities commissions of other provincial regulators) (collectively, the "**Exemption Orders**"), which was adopted for the purpose of providing certain filing and other relief to issuers in light of the challenges posed by the COVID-19 pandemic, that the Company will be delaying the filing and delivery of certain of its continuous disclosure documents due to delays caused by the COVID-19 pandemic, issuers were provided a 45-day filing extension for filings required during the period from June 2 to August 31, 2020. The Company is relying on the Exemption Orders with respect to the delay of the Annual Filings.

In the interim, management and other insiders of the Company are subject to a trading black-out policy that reflects the principles in section 9 of National Policy 11-207 *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions*, such that they are in a black-out period until the end of the first trading day after the Annual Filings have been disclosed by way of a news release.

Other than as set out below, there have been no material business developments since the date of the Company's interim financial statements and management's discussion and analysis for the third quarter of fiscal 2020.

As announced on March 31, 2020, the Company has made several adjustments to its retail model, chiefly an increased focus on delivery service and online orders, and its business strategy, in response to the COVID-19 outbreak. The Company's CHAI retail operations released an updated e-commerce site featuring several enhancements and improvements, most notably on the user interface and experience. The Company is currently evaluating a number of advertising and marketing options to increase customer awareness surrounding the new and improved website, platform.

The Company also announced that due to mid- to long-term uncertainties in the financial markets and retail sector that it will no longer be pursuing the Michigan Joint Venture with Green Buddha Co. For the foreseeable future the Company intends to focus exclusively on the established and stable California market.

As a result of the COVID-19 global pandemic, Captor has decided to delay its AGM until the fall, assuming circumstances related to the pandemic improve by that time. Captor will provide further communication regarding its delayed AGM in due course.

In addition, Dene Rogers, CEO of the Company's wholly owned subsidiary, Captor Acquisition Corp., tendered his resignation.

On May 5, 2020, the Company announced its intention to commence a normal course issuer bid ("**NCIB**" or the "**Bid**") to expend up to an aggregate of CDN \$5 million on the purchase of common shares of the Company (the "**Shares**"). Pursuant to the NCIB, the Company may, if considered advisable, purchase the Shares through the facilities of the Canadian Securities Exchange ("**CSE**") and/or alternative trading systems, from time to time over the next 12 months, and shall not, in any event, exceed 5% of the issued Shares. The Company has appointed Foster and Associates Financial Services Inc. to coordinate and facilitate its NCIB purchases.

Litigation Update

The Company is aware that it has been named in a lawsuit commenced by Matt Longo in connection with his prior contractual dealings with a subsidiary of the Company. A civil Complaint was filed by the claimant in the Los Angeles, California Superior Court on July 2, 2020 in respect of this lawsuit. The Company has not yet been served with the Complaint. This Company believes that this lawsuit is without merit and intends to vigorously defend itself against it.

About Captor Capital

Captor Capital Corp. is a Canadian cannabis company listed on the Canadian Securities Exchange, the OTC, and the Frankfurt and Stuttgart stock exchanges. Captor provides recreational cannabis, 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 assets including the CHAI Cannabis Co. dispensaries in Santa Cruz and Monterey, CA and the related e-commerce and deliver assets. The Company also owns Mellow Extracts, based in Costa Mesa, CA (launch date to be determined).

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