

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES.**

**FORBIDDEN SPIRITS DISTILLING CORP.\* ANNOUNCES STOCK EXCHANGE LISTING (TSXV: VDKA)  
AND  
CLOSING OF QUALIFYING TRANSACTION  
\*(Previously named Spartan Acquisition Corp.)**

December 16, 2021, Kelowna, British Columbia: Forbidden Spirits Distilling Corp. (TSX.V: VDKA - the "**Company**" or the "**Resulting Issuer**"), is pleased to announce it has obtained a public listing for its securities on the TSX Venture Exchange (the "**Exchange**") following closing of the Qualifying Transaction (as defined in Exchange policies) involving Spartan Acquisition Corp. ("**Spartan**") and Forbidden Distillery Inc. ("**Forbidden**"). As a result, the Company will be listed as a Tier 2 industrial issuer on the Exchange. In conjunction with the closing of the Qualifying Transaction, Forbidden raised approximately \$3,567,903 million in a concurrent financing (the "**Concurrent Financing**").

Trading in the shares of the Resulting Issuer is expected to commence under the symbol "VDKA" on or about December 20, 2021.

**Transaction Details**

As previously announced on November 23, 2020, February 11, 2021, March 8, 2021, April 28, 2021, July 5, 2021 and November 24, 2021, the Qualifying Transaction involved the non-arm's length amalgamation of Spartan and Forbidden pursuant to the provisions of the *Business Corporations Act* (British Columbia) (the "**Amalgamation**") to continue as a new company called "Forbidden Spirits Distilling Corp.". Each common share in the capital of Spartan (the "**Spartan Shares**") that was outstanding immediately prior to the Amalgamation was converted into one (1) common share in the capital of the Resulting Issuer (the "**Resulting Issuer Shares**") and each class A voting common share in the capital of Forbidden (the "**Class A Forbidden Shares**") that was outstanding immediately prior to the Amalgamation was converted into 24 Resulting Issuer Shares, each class B non-voting common share in the capital of Forbidden (the "**Class B Forbidden Shares**") that was outstanding immediately prior to the Amalgamation was converted into four (4) Resulting Issuer Shares, each class C non-voting preferred share in the capital of Forbidden (the "**Class C Forbidden Shares**") that was outstanding immediately prior to the Amalgamation was converted into four (4) Resulting Issuer Shares and each class D non-voting common share in the capital of Forbidden (the "**Class D Forbidden Shares**") and together with the Class A Forbidden Shares, the Class B Forbidden Shares and the Class D Forbidden Shares, the "**Forbidden Shares**") that was outstanding immediately prior to the Amalgamation was converted into one (1) Resulting Issuer Shares. Upon completion of the Amalgamation, former holders of Spartan Shares hold an aggregate of 4,788,500 Resulting Issuer Shares, representing approximately 8.40% of the outstanding Resulting Issuer Shares, the former holders of Forbidden Shares hold an aggregate of 40,296,000 Resulting Issuer Shares representing approximately 70.72% of the outstanding Resulting Issuer Shares and participants in the Concurrent

Financing hold 11,893,011 Resulting Issuer Shares representing approximately 20.87% of the outstanding Resulting Issuer Shares.

As a result of the foregoing, the Resulting Issuer has an aggregate of 56,977,511 Resulting Issuer Shares and 5,622,257 stock options and 7,754,143 warrants (including Finder Warrants issued to Finders (as defined below)) issued and outstanding.

### **Directors and Officers of the Company**

The board of directors of the Resulting Issuer consists of Blair Wilson, Terese Gieselman, Maya Kanigan, Kristi Miller and Eugene Hodgson. The management team of the Company is comprised of Blair Wilson, Chief Executive Officer, Terese Gieselman, Chief Financial Officer and Kelly Wilson, Corporate Secretary.

### **Granting of Stock Options**

In connection with the completion of the Qualifying Transaction, the Resulting Issuer anticipates issuing up to an aggregate of 1,200,000 stock options to certain directors, officers and employees of the Company. The options will have an exercise price of \$0.30 and expire 10 years from the date of grant.

### **Concurrent Financing**

Pursuant to the Concurrent Financing, Forbidden completed the issuance of 11,893,011 subscription receipts (the “**Subscription Receipts**”) at a purchase price of \$0.30 per Subscription Receipt for gross proceeds of approximately \$3,567,903. In addition, Forbidden has issued 2,026,513 Subscription Receipts in satisfaction of \$607,954 in debt owed to certain non-arm’s length parties. Immediately prior to the completion of the Amalgamation, each Subscription Receipt automatically converted, at no additional cost to the holder, into one Class D Forbidden Share and one-half of one Class D Forbidden Share purchase warrant (each whole warrant, a “**Warrant**”). These Class D Forbidden Shares and Warrants were then exchanged for Resulting Issuer Shares and Resulting Issuer warrants on a one-for-one basis in connection with the Amalgamation, all as more particularly set forth in the Company’s Joint Information Circular dated November 5, 2021 (the “**Circular**”).

In connection with the Concurrent Financing, certain parties (collectively, the “**Finders**”) acted as a finders for the Concurrent Financing and received aggregate cash commissions of \$206,655.99 as well as warrants to acquire an aggregate of 671,266 Resulting Issuer Shares at a purchase price of \$0.50 per share and expiring two years from the date of issuance.

It is expected that the proceeds of the Concurrent Financing will be used to fund the costs associated with completing the Amalgamation and for general working capital purposes.

## **Appointment of Market Maker**

The Company also announces that subsequent to the completion of the Amalgamation, and subject to the receipt of Exchange approval, it proposes to engage the services of Integral Wealth Securities Limited ("**Integral**") to provide services as a market maker in accordance with the policies of the Exchange and applicable laws. Established in 2003, Integral is headquartered in Toronto with offices in Vancouver, Calgary, and Ottawa.

Integral would be retained with the objective of maintaining active and orderly trading in the market for the Resulting Issuer Shares. Under the agreement between Integral and the Company (the "**Integral Agreement**"), the Company would agree to initially pay Integral a fixed cash fee of \$6,000 per month, plus applicable taxes. The Integral Agreement would have an initial term of three months, after which the Company could terminate the agreement on thirty days' notice.

The Company will agree to pay all reasonable costs and expenses incurred in connection with the performance by Integral of the services under the Integral Agreement, including without limitation, the reasonable fees, disbursements, and taxes thereon, including legal counsel retained by Integral.

The Company and Integral are unrelated and unaffiliated entities. Integral is arm's length to the Company.

## **Other Matters Approved by Shareholders**

The Company also announces that at the annual general and special meeting of shareholders of Spartan held on December 15, 2021, Spartan's disinterested shareholders voted in favor of, among other things, certain amendments to the Company's CPC escrow agreement, all as more particularly set forth in the Circular (the "**Escrow Agreement Amending Resolution**"). Approval of the Escrow Agreement Amending Resolution was sought in order for the Company to align certain of its policies with changes to Exchange's Capital Pool Company policy introduced by the Exchange on January 1, 2021. The Escrow Agreement Amending Resolution was approved by the Company's shareholders, excluding the votes held by holders of Seed Shares (as such term is defined in Exchange Policy 1.1). Please refer to the Circular for further details with respect to the Escrow Agreement Amending Resolution.

## **Early Warning**

Prior to the completion of the Qualifying Transaction, Blair Wilson, a director and officer of Spartan and a director and officer of the Resulting Issuer, held 250,000 Spartan Shares. Upon completion of the Amalgamation, Mr. Wilson now beneficially owns and has control over 12,783,256 Resulting Issuer Shares, representing approximately 22.44% of the issued and outstanding Resulting Issuer Shares. In addition, Mr. Wilson holds 2,777,609 incentive stock options to acquire Resulting Issuer Shares. Assuming the exercise of the foregoing stock options of the Company, Mr. Wilson would own

or control approximately 27.31% of the issued and outstanding Resulting Issuer Shares on a partially diluted basis. Mr. Wilson may, from time to time, take such actions in respect of his holdings in securities of the Company as he may deem appropriate, in light of the circumstances then existing, including the purchase of additional Resulting Issuer Shares or other securities of the Company or the disposition of all or a portion of his securityholdings in the Company, subject in each case to applicable securities laws and the terms of such securities, as applicable. An early warning report will be filed by Mr. Wilson in accordance with applicable securities laws. To obtain a copy of the early warning report, please contact Blair Wilson at (250) 317-0996.

Prior to the completion of the Qualifying Transaction, Kelly Wilson, a director and officer of Spartan and an officer of the Resulting Issuer, held 250,000 Spartan Shares. Upon completion of the Amalgamation, Ms. Wilson now beneficially owns and has control over 12,783,256 Resulting Issuer Shares, representing approximately 22.44% of the issued and outstanding Resulting Issuer Shares. In addition, Ms. Wilson holds 2,400,993 incentive stock options to acquire Resulting Issuer Shares. Assuming the exercise of the foregoing stock options of the Company, Ms. Wilson would own or control approximately 26.65% of the issued and outstanding Resulting Issuer Shares on a partially diluted basis. Ms. Wilson may, from time to time, take such actions in respect of her holdings in securities of the Company as she may deem appropriate, in light of the circumstances then existing, including the purchase of additional Resulting Issuer Shares or other securities of the Company or the disposition of all or a portion of her securityholdings in the Company, subject in each case to applicable securities laws and the terms of such securities, as applicable. An early warning report will be filed by Ms. Wilson in accordance with applicable securities laws. To obtain a copy of the early warning report, please contact Blair Wilson at (250) 317-0996.

#### **About Forbidden Spirits Distilling Corp.**

Forbidden is a distillery licensed by the province of British Columbia to manufacture, market and sell spirits direct to consumers from its on-line store, as well as direct to off-premises retail liquor stores and direct to on-premises restaurants, hotels, pubs, bars, golf courses and yacht clubs. Forbidden currently ferments, distills, bottles and distributes a portfolio of ultra-premium brands including: *REBEL Vodka*, *Eve's Original Gin*, *Adam's Apple Brandy*, *Forbidden Fire*, *Forbidden Spirits Vodka*, and *Wallace Hill Whisky*. In response to COVID-19 Forbidden re-tooled its distillation plant in order to manufacture and supply front line workers and its surrounding community with FREE Serpent Hand & Surface Sanitizer.

Additional information with respect to Forbidden and its portfolio of ultra-premium spirits can be found on Forbidden's website at [www.ForbiddenSpirits.ca](http://www.ForbiddenSpirits.ca).

#### **ON BEHALF OF THE BOARD OF DIRECTORS:**

Blair Wilson  
Chief Executive Officer,

Email: [blair@forbiddenspirits.ca](mailto:blair@forbiddenspirits.ca)

Phone: (250) 317-0996

### **Disclaimer for Forward-Looking Information**

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release includes information relating to the use of proceeds from the Concurrent Financing and the date that the Resulting Issuer Shares will commence trading through the facilities of the Exchange. Such statements and information reflect the current view of the Company. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

**THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS PRESS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.**

*This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.*