

# Spartan Acquisition Corp. Announces Completion of Second Tranche of Forbidden Spirits Financing

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KELOWNA, BC, March 8, 2021 /CNW/ - Spartan Acquisition Corp. (TSXV: VDKA.P) (the "**Company**" or "**Spartan**"), a capital pool company, and Forbidden Distillery Inc. ("**Forbidden**") are pleased to announce that Forbidden has completed a second tranche of its previously announced private placement (the "**Concurrent Financing**") of subscription receipts (the "**Subscription Receipts**") for aggregate gross proceeds of approximately \$330,750 and the repayment of \$309,651 in debt (the "**Securities for Debt**"). The Concurrent Financing is required to be completed by Forbidden in connection with the previously announced business combination between Spartan and Forbidden (the "**Proposed Transaction**") to create a new entity to be called "Forbidden Spirits Distilling Corp.", the shares of which are anticipated to be listed on the TSX Venture Exchange (the "**Exchange**") under the ticker symbol "VDKA". Together with the first tranche of the Concurrent Financing, Forbidden has now raised an aggregate of approximately \$2.0 million( inclusive of the Securities for Debt).

Forbidden CEO Blair Wilson commented *that "We are delighted with the progress made to date and with the continued interest in both this current Subscription Receipt financing as well as in our flagship ultra-premium REBEL Vodka brand from companies such as Carrefour S.A. in Romania and Auchan S.A. in France."*

Forbidden issued an aggregate of 2,134,670 Subscription Receipts at a purchase price (or, in the case of the Securities for Debt, a deemed purchase price) of \$0.30 per Subscription Receipt for aggregate gross proceeds of \$330,750 plus the repayment of \$309,651 in debt. Each Subscription Receipt entitles the holder thereof to receive, without payment of any additional consideration and without further action on the part of each subscriber, subject to adjustment, one unit of Forbidden (a "**Unit**") in accordance with the terms of a subscription receipt agreement entered into between Spartan, Forbidden and TSX Trust Company (the "**Subscription Receipt Agreement**"), including the satisfaction or waiver of the escrow release conditions described in the Subscription Receipt Agreement.

Upon the closing of the Proposed Transaction, the Units issued pursuant to the conversion of the Subscription Receipts will be automatically exchanged for one common share (a "**Resulting Issuer Share**") in the capital of the Resulting Issuer (as defined in Exchange policy 2.4) and one-half of one Resulting Issuer Share purchase warrant (each whole Resulting Issuer Share purchase warrant, a "**Warrant**"). Each Warrant will entitle the holder to acquire one (1) additional Resulting Issuer Share at a price of \$0.50 for a period of two years following the date of issuance. If, at any time following the issuance of the Warrants, the daily volume weighted average trading price of the Resulting Issuer Shares on the Exchange, or such other stock exchange on which the Resulting Issuer Shares are listed, is greater than \$0.75 for the preceding 10 consecutive trading days, the Resulting Issuer may, upon providing written notice to the holders of Warrants, accelerate the expiry date of the Warrants to the date that is 30 days following the delivery of such written notice.

## **About Spartan Acquisition Corp.**

Spartan is a Capital Pool Company whose principal business is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction. Subject to approval of the Exchange,

Spartan intends the Proposed Transaction to constitute its Qualifying Transaction.

### **About Forbidden Distillery Inc.**

Forbidden is a Craft Distillery licensed by the province of British Columbia to manufacture, market and sell alcohol direct to consumers from its on-line store, as well as direct to off-premise retail beer, wine and liquor stores and direct to on-premise restaurant, hotels, pubs, bars, golf courses and yacht clubs. Forbidden currently ferments, distills, bottles and distributes such ultra-premium brands as *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 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).

### **Cautionary Note**

The Proposed Transaction is subject to a number of conditions including, without limitation, approval of the Exchange. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

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

Blair Wilson  
Chief Executive Officer,

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

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect Spartan'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 include information relating to the Proposed Transaction (including Exchange approval and the closing of the Proposed Transaction). Such statements and information reflect the current view of Spartan. 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.

Such factors include, among others, the following risks:

- there is no assurance that subsequent tranches of the Concurrent Financing will be completed or as to the amount of gross proceeds to be raised in connection with the Concurrent Financing. In particular, the amount raised may be significantly less than the amounts anticipated as a result of, among other things, market conditions and investor behaviour; and
- there is no assurance that Spartan and Forbidden will obtain all requisite approvals for the Proposed Transaction or fulfill all the conditions and obligations of the Proposed Transaction Agreement, including the approval of the Exchange (which may be conditional upon amendments to the terms of the Proposed Transaction);

There are a number of important factors that could cause Spartan's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: currency fluctuations; limited business history of Spartan; disruptions or changes in the credit or security markets; disruption of results of operation activities and development of projects of Forbidden; unanticipated costs and expenses, and general market and industry conditions.

Spartan cautions that the foregoing list of material factors is not exhaustive. When relying on Spartan's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Spartan has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

**THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF SPARTAN 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 SPARTAN MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.**

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