



REOCITO CAPITAL INC. ANNOUNCES CLOSING OF PRIVATE PLACEMENT AND DEBT SETTLEMENT

TORONTO, ONTARIO, CANADA, December 3, 2021 /EINPresswire.com/ -- Reocito Capital Inc. (the "Company") is pleased to announce that it has closed a non-brokered private placement, raising aggregate gross proceeds of \$60,000 through the issuance of 12,000,000 class A shares in the capital of the Company (each, a "Share") at a price of \$0.005 per Share (the "Offering"). In addition to the Offering, the Company also completed a debt settlement transaction (the "Debt Settlement") with certain creditors of the Company. Pursuant to the Debt Settlement, the Company issued 20,000,000 Shares at a deemed price of \$0.005 per Share in settlement of \$100,000 of indebtedness of the Company.

All securities issued pursuant to the Offering and the Debt Settlement are subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable securities legislation.

Related Party Transaction

The Offering and Debt Settlement constitute a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). However, the Offering and Debt Settlement are exempt from the formal valuation requirements set out in Subsection 5.5(b) of MI 61-101 as at the time of the transaction, the securities of the Company were not listed or quoted on one of the exchanges or markets specifically identified in MI 61-101. The Offering and Debt Settlement are exempt from the minority shareholder approval requirements set out in MI 61-101 pursuant to the financial hardship exemption, which provides an exemption where the financial hardship criteria set out in Subsection 5.7(e) of MI 61-101 are met and where there is no other requirement, corporate or otherwise, to hold a meeting to obtain any approval of the holders of any class of affected securities.

The Company did not file a material change report related to the Offering and Debt Settlement more than 21 days before the expected closing of the Private Placement and Debt Settlement as required by MI 61-101 as (i) the Company requires the consideration it will receive in connection with the Offering immediately for working capital purposes and (ii) the Company would like to settle the debt under the Debt Settlement as soon as possible.

Early Warning Report

In connection with the Offering and Debt Settlement, Greg Wilson of Ottawa, Ontario has acquired 10,666,667 Shares. Prior to the Offering and Debt Settlement, Mr. Wilson held, beneficially owned, or exercised control or direction over, 16,666,666 Shares of the Company, representing 29.85% of the issued and outstanding Shares. Following the completion of the Offering and Debt Settlement, Mr. Wilson holds 27,333,332 Shares, representing 31.12% of the issued and outstanding Shares on a non-diluted basis.

In connection with the Offering and Debt Settlement, Jason I. Goldman Professional Corporation ("JIG Corp"), a company located in Toronto, Ontario, has acquired 10,666,667 Shares. Prior to the Offering and Debt Settlement, JIG Corp held, beneficially owned, or exercised control or direction over, 16,666,667 Shares of the Company, representing 29.85% of the issued and outstanding Shares. Following the completion of the Offering and Debt Settlement, JIG Corp holds 27,333,334 Shares, representing 31.12% of the issued and outstanding Shares on a non-diluted basis.

In connection with the Offering and Debt Settlement, NUWA Group LLC ("NUWA"), a company located in Alamo, California, United States of America, has acquired 10,666,666 Shares. Prior to the Offering and Debt Settlement, NUWA held, beneficially owned, or exercised control or direction over, 16,666,667 Shares of the Company, representing 29.85% of the issued and outstanding Shares. Following the completion of the Offering and Debt Settlement, NUWA holds 27,33,333 Shares, representing 31.12% of the issued and outstanding Shares on a non-diluted basis.

The Shares acquired pursuant to the Private Placement and Debt Settlement were acquired by Mr. Wilson, JIG Corp, and NUWA (together, the "Early Warning Reporters") for investment purposes, and depending on market and other conditions, the Early Warning Reporters may from time to time in the future increase or decrease their respective ownership, control or direction over securities of the Company through market transactions, private agreements, or otherwise. Copies of the respective early warning reports that will be filed by the Early Warning Reporters may be obtained on the Company's SEDAR profile or by contacting Grant Duthie at 416-869-1234.

ABOUT REOCITO CAPITAL INC.

The Company is a financial services company with no current activities or operations. The Company has ceased to carry on an active business and is presently engaged in identifying and evaluating suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders.

On behalf of the Board of Directors

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Chief Executive Officer & Director

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Cautionary Statements

This press release contains "forward-looking statements". Forward-looking statements can be identified by words such as: anticipate, intend, plan, goal, seek, believe, project, estimate, expect, strategy, future, likely, may, should, will and similar references to future periods. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by applicable securities laws, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise

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