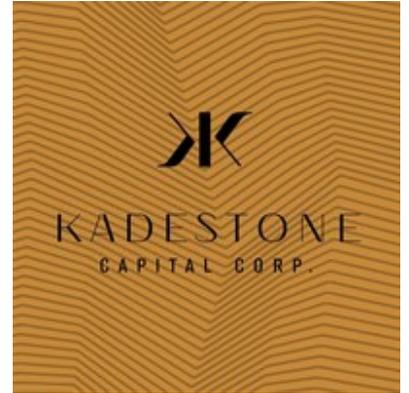


KADESTONE CAPITAL CORP. CLOSES C\$4,750,000 CONVERTIBLE NOTE PRIVATE PLACEMENT



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Kadestone Capital Corp. →

Dec 29, 2021, 22:14 ET

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VANCOUVER, BC, Dec. 29, 2021 /CNW/ - Kadestone Capital Corp. ("**Kadestone**" or the "**Company**") (TSXV: KDSX) (OTCQB: KDCCF), a vertically integrated property company, is pleased to announce that it has closed a non-brokered private placement of an unsecured convertible note (the "**Note**") in the principal amount of C\$4,750,000 (the "**Offering**").

The Note will mature three years following the closing date with an interest rate of 7% per annum and, at the election of the holder and subject to certain terms and conditions, will be convertible into up to 1,900,000 common shares of the Company (the "**Conversion Shares**") at a conversion price of C\$2.50 per Conversion Share (the "**Conversion Price**"). The Note, and Conversion Shares issuable upon conversion of the Note, are subject to a four month and one day hold period from the date of closing of the Offering in accordance with applicable Canadian securities laws.

The Company intends to use the net proceeds from the Offering to pay down existing debt and for general corporate purposes.



This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933 as amended (the "**1933 Act**"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of U.S. Persons (as defined in Regulation S under the 1933 Act) absent such registration or an applicable exemption from such registration requirements.

About Kadestone

Kadestone was established to pursue the investment in, development, acquisition, and management of residential and commercial income producing properties within major urban centres and high-growth, emerging markets in Canada. The Company operates five complimentary business lines spanning building materials procurement and supply, property development and construction, construction finance, asset ownership, and property management. These synergistic business lines have solidified Kadestone's vision to become a market leading vertically integrated property company. Additional information can be found at www.kadestone.com.

ON BEHALF OF THE BOARD

(signed) "Brent Billey"

President, CEO and Director

Neither 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 release.

Cautionary Statement Regarding Forward-Looking Statements

Certain information in this press release, including, but not limited to, statements regarding the conversion of the Note, the intended use of net proceeds of the Offering and the Company's vision to become a leading vertically integrated property company, may constitute forward looking information (collectively, forward-looking statements), which can be identified by the

use of terms such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" (or the negatives) or other similar variations. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances. Because of various risks and uncertainties, including those referenced below, actual events or results may differ materially from those reflected or contemplated in such forward-looking statements. As a result, you should not rely on such forward-looking statements. Additional information identifying assumptions, risks and uncertainties relating to Kadestone is contained in Kadestone's filings with the Canadian securities regulators available at www.sedar.com. These risks include those described in the "Risk Factors" section of the Company's final prospectus dated September 2, 2020 and in the Management's Discussion and Analysis for the years ended December 31, 2019 and 2020. The forward-looking statements in this press release are applicable only as of the date of this release or as of the date specified in the relevant forward-looking statement. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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