Windfire Capital Signs Letter of Intent to Purchase Medical Marijuana Producer, Rosebud Productions

21.05.2014 | Marketwired

VANCOUVER, May 21, 2014 - Windfire Capital Corp. (TSX VENTURE:WIF) ("Windfire" or the "Company"), has executed a non-binding letter agreement dated May 16, 2014 (the "Letter Agreement") with Rosebud Productions Inc. ("Rosebud") regarding a proposed transaction (the "Transaction") whereby the Company shall purchase 100% of the issued and outstanding common shares of Rosebud for an aggregate purchase price of $5,000,000. The purchase price will be satisfied with a combination of cash and securities, as further described below. The Company will commence a due diligence review of the business immediately.

The Company intends that the Transaction will constitute a "Change of Business" transaction for the purposes of Policy 5.2 of the TSX Venture Exchange Inc. ("Exchange"). The Company and Rosebud are at arm's length, and accordingly, the Transaction is not considered a "Non-Arm's Length Transaction". Subject to any regulatory, director or other approvals that may be required, the completing of satisfactory due diligence by the Company and other conditions contained in the Agreement, it is anticipated that the Transaction will be structured as a share exchange with Rosebud. Upon completing the Transaction, it is expected that the resulting issuer will change its name to reflect the company's new direction ("Resulting Issuer") and be listed on the Exchange as a Tier 2 Life Science issuer.

The Transaction

The Company and Rosebud shall enter into a definitive share exchange agreement (the "Agreement") which will include the following payment terms: (i) subject to prior Exchange acceptance, a $250,000 cash payment by June 15, 2014, which will be secured with a general security agreement over all of Rosebuds present assets; (ii) $750,000 CDN. in cash upon confirmation that Health Canada has issued its "authorization to build" the leased facility ("Facility") under the Marijuana for Medical Purposes Regulations ("MMPR"); (iii) $1,000,000 CDN in cash upon issuance of a license to Rosebud by Health Canada recognizing Rosebud as a licensed producer of marijuana under MMPR; (iv) issuance of $3,000,000 of common shares of the Company, with the number of common shares to be issued based on the 30 day weighted average trading price of the Company's common shares immediately preceding the date which Health Canada issues a license to Rosebud under the MMPR. The common shares will be issued as to 50% on the date the license is issued from Health Canada and the balance on the one year anniversary date of the Agreement.

It also anticipated that at closing the Resulting Issuer will grant options to acquire common shares at a price to be determined to the directors, officers, employees and consultants of the Resulting Issuer. Further details will be provided in a subsequent news release.

The existing directors and officers of the Company will continue in their current positions with the Resulting Issuer and one additional director will be appointed, as noted below.

About Rosebud Productions Inc.

Rosebud, a private company incorporated under the laws of British Columbia, currently operates a fully functional facility that produces medical marijuana under the previous MMAR regulations. Recently regulations regarding access to medicinal marijuana were revised by Health Canada. The new MMPR allows for patients to gain access to Medical Marijuana through legally Licensed Producers. Rosebud has an application pending with Health Canada for the granting of the new MMPR license. When the application is approved Rosebud expects to be producing medical marijuana by the fall of 2014. The vendor's team consists of seasoned industry personnel with a very high level of experience in all aspects of Medical Marijuana production including cultivation, facility design and construction. Incoming Windfire board member Gary Quo Vadis and Jesse McConnell are the founding and controlling shareholders of Rosebud Productions. Jesse McConnell is also a founding shareholders and co-owner of one of only 13 commercial licensed producers to date, under the new MMPR guidelines and currently listed on Health Canada's website. This business arrangement we will enable our team to produce industry-leading Medical Marijuana and related products for our clients at the most affordable prices possible. The existing Rosebud team will

continue to operate the facility under a management agreement.

The Company's President and Chief Executive Officer Clive Massey commented: "This proposed Transaction represents a significant milestone for the Company and will place the Company in a very strong strategic position in the medical marijuana sector. On closing, it is expected that the Company will have a cultivation facility that will be licensed to produce up to 900 kilograms of medical marijuana annually. The Transaction is subject to the availability of funding and the company is in discussion with financing groups to fund the acquisition and development upgrades of the Richmond facility."

Definitive Agreement

The parties will begin to prepare the legal documentary necessary to effect the Transaction. The parties shall complete and be in a position to execute agreements relating to the transaction (the "Definitive Agreement") within 30 days following the execution of the Letter Agreement or such other date as may be agreed to by the parties in writing.

Closing of the Transaction would be targeted to occur within 60 days following the execution of the Definitive Agreement, or such other date, as may be agreed to by the parties, the whole subject to regulatory approval, or such other date as the parties agree to in writing. The Definitive Agreement shall be mutually acceptable to the Company and Rosebud and will contain representations and warranties between the parties that are customary for transactions of a similar nature.

Proposed New Director of the Company, Gary Quo Vidas - Vancouver, British Columbia

Mr. Quo Vadis has a diverse business background that includes start-up businesses or buying existing businesses over the last 25 years. From the construction field to the hospitality industry, Mr. Quo Vadis's strengths are in business development and identifying opportunities for business growth. Mr. Quo Vadis has a strong skill set in developing business relationships whether it be in Canada or overseas. Mr. Quo Vadis' education includes a Bachelor of Arts degree from the University of Regina with a major in marketing.

Private Placement

The Company is currently negotiating the terms and conditions of a brokered private placement with an agent and further details will be provided in a subsequent news release. The proceeds from the private placement will be used to fund the cash portion of the purchase price, construction costs, and for general working capital purposes.

Sponsorship of Business Combination

Sponsorship of a Change of Business Transaction is required by the Exchange unless exempt in accordance with Exchange policies. The Corporation intends to apply for an exemption from the sponsorship requirements. There is no assurance that the Corporation will ultimately obtain an exemption from sponsorship.

Reinstatement to Trading

The Company's shares will be halted pending receipt by the Exchange of certain required materials from the Company and until the Company engages a sponsor. The Company will provide further details in respect of the Transaction, in due course by way of press release.

Additional Information and Description of Significant Conditions to Closing

Completion of the Transaction is subject to a number of conditions, including Exchange acceptance and Shareholder approval. The Transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the Filing Statement or Information Circular to be prepared in connection with the Transaction, any information released or received with respect to the Change of Business may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

If and when a definitive agreement between the Company and Rosebud is executed, in accordance with the

policies of the Exchange, the Company will issue a subsequent press release containing the details of the definitive agreement and additional terms of the Transaction, including information relating to sponsorship, name change, terms and conditions of the private placement, and to the extent not contained in this press release, additional information required by the Exchange with respect to the history of Rosebud and a summary of key financial information.

Windfire Capital Corp.

Clive Massey
President and CEO

"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 release."

Cautionary and Forward-Looking Statements

This news release contains forward‐looking statements and information concerning the expected results of the Transaction; anticipated closing dates of the Transaction and the related matters such as the closing of the private placement and name change. The forward‐looking statements and information are based on certain key expectations and assumptions made by management of the Company. Since forward‐looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward‐looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward‐looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the TSX Venture Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

This press release shall not constitute an offer to sell, nor the solicitation of an offer to buy, any securities in the United States, nor shall there be any sale of securities mentioned in this press release in any state in the United States in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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Die URL für diesen Artikel lautet:
https://www.rohstoff-welt.de/news/174045--Windfire-Capital-Signs-Letter-of-Intent-to-Purchase-Medical-Marijuana-Producer-Rosebud-Productions.html

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