

# Kitrinor Metals and Scythian Biosciences Announce Closing of Subscription Receipt Financing of \$13,085,000 With Strategic Lead Investment From Aphria Inc.

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## **Scythian Biosciences Inc. is developing a proprietary Cannabinoid combination therapy for the prevention and treatment of concussions and traumatic brain injury**

Further to the press release dated February 21, 2017, [Kitrinor Metals Inc.](#) (TSX VENTURE:KIT) (the "Company") and Scythian Biosciences Inc. ("Scythian"), a company incorporated under the federal laws of Canada, are pleased to announce that Scythian completed an initial tranche of a brokered private placement offering of subscription receipts ("Subscription Receipts") led by Clarus Securities Inc. (the "Lead Agent"), together with Haywood Securities Inc. and Canaccord Genuity Corp. (collectively, the "Agents"), for gross proceeds of C\$13,085,000 (the "Offering"). The Offering was completed in connection with a proposed reverse take-over of the Company (the "Proposed Transaction") which remains subject to approval of the TSX Venture Exchange ("TSXV"). An investor syndicate comprised of both new investors, including institutional investors, and existing shareholders participated in the Offering. Aphria Inc. (TSX VENTURE:APH)(OTCQB:APHQF), a Health Canada Licensed Producer of medical cannabis products, participated in the Offering as a strategic lead investor. Delavaco Group acted as strategic investor and advisor to the transaction.

## **Financing**

In connection with the Proposed Transaction, Scythian completed the Offering of Subscription Receipts pursuant to an agency agreement (the "Agency Agreement") dated March 13, 2017 with the Agents.

Under the terms of the Offering, Scythian initially issued 32,712,500 Subscription Receipts at a price of C\$0.40 per Subscription Receipt (the "Offering Price") for gross proceeds of C\$13,085,000. Each Subscription Receipt entitles the holder to receive, upon satisfaction of the escrow release conditions on or before the termination time on the escrow deadline, including all conditions precedent to the Proposed Transaction being satisfied, and without payment of additional consideration, one Class A common share in the capital of Scythian, which shall be exchanged, without further consideration, for one common share in the capital of the Company post-completion of the Proposed Transaction (the "Resulting Issuer") (each a "Subscription Share" or a "Resulting Issuer Share").

The proceeds of the Offering (the "Proceeds"), net of the Agents' commission and expenses incurred up to and including the closing of the Offering (the "Escrowed Funds") are being held in escrow pursuant to the terms of a subscription receipt agreement dated March 13, 2017 between Scythian, the Company, the Lead Agent and TSX Trust Company, as registrar and transfer agent for the subscription receipts and as escrow agent for the Escrowed Funds (the "Subscription Receipt Agreement"). Upon satisfaction or waiver of the Escrow Release Conditions (as defined in the Subscription Receipt Agreement), including all conditions precedent to the Proposed Transaction, the Escrowed Funds, together with any interest earned thereon, will be distributed in accordance with the Subscription Receipt Agreement. Should the Escrow Release Conditions not be satisfied or waived, or if the Proposed Transaction is not completed, the Subscription Receipts will be cancelled and the Escrowed Funds will be returned to subscribers together with any interest earned thereon (a "Refund Event"). To the extent there is any shortfall between the amount of the Escrowed Funds and the amount of the Proceeds returnable to subscribers upon the occurrence of a Refund Event, Scythian will provide sufficient funds to offset any such difference.

As compensation for the services provided in connection with the Offering, the Agents have received a cash commission equal to 7.0% of the gross proceeds of the Offering and broker warrants ("Broker Warrants") equal to 7.0% of the number of Subscription Receipts sold under the Offering. Each Broker Warrant entitles the holder thereof to acquire one Resulting Issuer Share at a price of C\$0.40, subject to adjustment as provided in the Broker Warrant certificate, for a period of 24 months commencing upon satisfaction of the Escrow Release Conditions. In the event the Proposed Transaction is not completed, the Broker Warrants shall be terminated.

Upon completion of the Proposed Transaction and satisfaction or waiver of the Escrow Release Conditions, the Escrowed Funds will be used to further develop the business of the Resulting Issuer.

#### About Scythian Biosciences Inc.

Scythian is a research and development company committed to finding a solution for the prevention and treatment of concussions and traumatic brain injury with its proprietary Cannabinoid combination.

Scythian's mission is to be the first accepted drug regimen for concussive treatment. Scythian has recently formed a collaboration with the University of Miami and its world renowned neuroscientific team to conduct pre-clinical and clinical trials of its drug regimen. The University of Miami believes that Scythian's scientific approach shows significant promise and differs from previous approaches to treat this growing problem. The collaboration with the University of Miami allows access to their extensive knowledge base in the fields of traumatic brain injury and concussions and allows for Scythian's clinical studies to be undertaken at their world-class facilities.

Gillian A. Hotz, PhD, is leading Scythian's program at the University of Miami. Dr. Hotz is a nationally recognized behavioral neuroscientist and expert in neurotrauma, concussion management, and neurorehabilitation. She has extensive experience in neurocognitive testing. Dr. Hotz has been the co-director of University of Miami Miller School of Medicine's Concussion Program since 1995.

Scythian is also endorsed by the NFL Alumni Association and the World Boxing Association on its mission.

#### About Kitrinor Metals Inc.

Kitrinor is a junior mining exploration company engaged in the acquisition, exploration and development of mineral resource properties in Canada. The Company's activities are currently focused on the exploration and development of the Culroc Property located in the Township of Sothman, Ontario.

#### Additional Information

The common shares of the Company are currently halted from trading pending completion of the Proposed Transaction.

A comprehensive press release with further particulars relating to the Proposed Transaction, financial particulars and descriptions of the proposed board of directors and management of the Resulting Issuer will follow in accordance with the policies of the TSXV.

All information contained in this press release with respect to the Company and Scythian was supplied by the parties respectively, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

#### Cautionary Note

*Completion of the Proposed Transaction is subject to a number of conditions including, but not limited to, completion of satisfactory due diligence, completion of the Offering, execution of a definitive agreement in respect of the Proposed Transaction, TSXV acceptance and, if applicable, pursuant to policies of the TSXV, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed, or at all.*

*Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.*

*Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) has in any way passed upon the merits of the Proposed Transaction and associated transactions and neither of the foregoing entities has in any way approved or disapproved of the contents of this press release.*

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

*The common shares of the Company have not been and will not be registered under the United States*

*Securities Act of 1933, as amended and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. 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 jurisdiction in which such offer, solicitation or sale would be unlawful.*

### **Forward-Looking Statements**

*This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the Proposed Transaction including statements regarding the terms and conditions of the Proposed Transaction and the Letter of Intent, as well as information relating to Scythian. The information about Scythian contained in the press release has not been independently verified by the Company. Although the Company believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with the Proposed Transaction and the Letter of Intent; that the ultimate terms of the Proposed Transaction and the Letter of Intent will differ from those that currently are contemplated; and that the Proposed Transaction and the Letter of Intent will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The terms and conditions of the Proposed Transaction may change based on the Company's due diligence and the receipt of tax, corporate and securities law advice for both the Company and Scythian. The statements in this press release are made as of the date of this release. The Company undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of the Company, Scythian, their securities, or their respective financial or operating results (as applicable).*

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