

Meryllion Resources Corp., Signs Letter of Intent for a Proposed Reverse Takeover with Californian Based Recreational Cannabis Producer Back Country Property Management

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Toronto, January 30, 2019 - [Meryllion Resources Corp.](#) (CSE: MYR), ("Meryllion" or the "Corporation") announced that effective today the Corporation has signed, and has entered into a non-binding letter of intent ("LOI") with the Santa Ysabel Tribal Development Corporation ("SYTDC") to complete a business combination resulting in a proposed reverse takeover (the "RTO") of Meryllion by Back Country Property Management ("BCPM"), SYTD's wholly owned subsidiary. The RTO is conditional upon the completion of due diligence by both Meryllion and BCPM, and the parties entering into a definitive agreement and completing the terms outlined therein by no later than April 30th, 2019, or such other date as may be mutually agreed upon.

BCPM fully owns and operates the Santa Ysabel Botanical Facility ("SYBF"), a cannabis facility located on approximately eight acres of the sovereign reservation of the Lipay Nation of Santa Ysabel ("Tribe"). The SYBF follows a robust set of regulations enacted by the Santa Ysabel Tribal Cannabis Regulatory Agency ("TCRA"), a Tribal government agency and the first governmental authority located within California to promulgate regulations related to pesticide use in cannabis production, mandatory laboratory testing, environmental protection, mandatory seed-to-sale tracking systems, and cannabis waste processing, among many others. These regulations allow BCPM the ability to provide its tenants with state of the art facilities to cultivate, extract, refine, process and manufacture the highest-quality, laboratory-tested medicinal and adult use cannabis and cannabis products entirely onsite at the SYBF.

BCPM's tenants may utilize either one or all of the aforementioned services offered by the SYBF, providing upstart 3rd party cannabis companies with fully outsourced production services. There are currently several successful cannabis enterprises operating from the SYBF, and all corporate entities, corporate officers, and employees working at the SYBF have undergone an extensive suitability background and licensing process. Additionally, BCPM also oversees a tribally-owned company that manufactures, distributes and retails its own adult use cannabis products, including its newly released edibles product line.

Cornerstone to BCPM's business growth and expansion strategy is the rollout of its present business model to other American Indian tribes. There are currently 109 federally recognized Indian tribes in California and 78 additional tribes petitioning for recognition. The tribes in California currently have nearly 100 separate reservations.

Proposed Transaction

The RTO is conditional upon the completion of entering into a definitive agreement between the two parties and the completion of obtaining all applicable board, shareholder and regulatory approvals including obtaining approval from the Canadian Securities Exchange (the "CSE") and the receipt of all corporate, third party approvals and compliance with all applicable regulatory requirements and conditions necessary to complete the Transaction.

As of the date of this press release, Meryllion has 67,848,420 common shares, and 3,900,000 common share purchase warrants issued and outstanding. In connection with the completion of the proposed RTO transaction, it is anticipated that Meryllion will consolidate its common shares on a 10:1 basis resulting in 6,784,842 common shares, and 390,000 common share purchase warrants being issued and outstanding on a post-consolidated basis. SYTDC shareholders will own a minimum of 90% of the shares of the resulting issuer on the closing of the transaction, which will be issued to SYTDC shareholders in exchange for all of the issued and outstanding shares of SYTDC.

Upon the entering into a definitive agreement, Meryllion shall, concurrent with the closing of the transaction, complete a private placement financing of \$1,000,000 CDN or greater to satisfy the listing requirements of the CSE on terms acceptable to both of the parties.

Upon completion of the proposed RTO, the Corporation's board will be reconstituted to comprise of a minimum of five (5) directors, including one current director of Meryllion, subject to the policies of the CSE and applicable corporate and securities laws.

The CSE has in no way passed upon the merits of the proposed RTO and has neither approved nor disapproved the contents of this press release.

Mr. Paul Haber, CEO of Meryllion, stated: "We are extremely pleased to be entering into this LOI with SYTDC / BCPM. We strongly feel that should the two parties enter into a definitive agreement and complete this proposed RTO transaction it will greatly enhance shareholder value for both Meryllion and BCPM. BCPM's present business model, and its plans for rapid expansion and focus on partnering with other Native nations will allow Meryllion/BCPM the potential to rapidly grow and capitalize on the huge California cannabis market. This could easily expand BCPM's potential customer base tenfold. BCPM also oversees a tribally-owned business that offers an edible product line and is looking to expand into other products. Overtime, we see edible products becoming more mainstream than cannabis smoking and we feel there is a huge potential for this market. Furthermore, we see a huge market in providing upstart 3rd party cannabis companies fully outsourced production services, as many upstart companies will not have the ability to access capital from capital markets making expansion difficult. The ability of not having to invest immediately in equipment that the SYTDC currently has onsite will allow many 3rd party cannabis companies to get into the game now, and develop their businesses quickly."

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Forward-Looking Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such. Neither CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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