

Debut Diamonds Inc. Announces Reverse Takeover Transaction with Inolife

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Toronto, March 2, 2020 - [Debut Diamonds Inc.](#) (CSE: DDI) ("Debut Diamonds" or the "Company") announces that it has entered into a binding memorandum of agreement (the "MOU") dated March 2, 2020 with Inolife R&D Inc. ("Inolife") to complete a business combination by way of a transaction that will constitute a reverse takeover of the Company by Inolife (the "Transaction"). If completed, the Transaction will constitute a "fundamental change" of Debut Diamonds pursuant to the policies of the Canadian Securities Exchange (the "CSE").

It is currently anticipated that the Transaction will be effected by way of a three-cornered amalgamation involving Inolife and a wholly-owned subsidiary of Debut Diamonds. The resulting issuer that will exist upon completion of the Transaction (the "Resulting Issuer") will change its business from mining to the medical technology industry. The final structure of the Transaction will be determined by the parties following receipt of tax, corporate and securities law advice. The Transaction is an arm's length transaction. Upon the closing of the Transaction (the "Closing") and after giving effect to the Private Placement (defined below) and the European Pharma Acquisition (defined below), it is expected that current shareholders of Debut Diamonds will hold 5.45% of the common shares of the Resulting Issuer (the "Resulting Issuer Shares") and that existing shareholders of Inolife will hold 76.84% of the Resulting Issuer Shares on a non-diluted basis.

Description of Inolife and its Business

Inolife is a life science company and an innovation leader in needle-free injection technologies. Inolife develops, advances and commercializes needle-free injection technologies. The company takes advantage of novel liquid jet and ballistics-based epidermal drug injection techniques that improve patients' quality of life by making medicines easier and safer to administer as well as remove the anxiety and inconvenience associated with hypodermic needle injections. For more information about Inolife and its products, visit [inolifesciences.com](#).

Share Consolidation and Exchange of Securities

Pursuant to the terms of the MOU, the Company will effect a consolidation (the "Share Consolidation") of its issued and outstanding common shares (the "Debut Diamonds Shares") prior to Closing on a basis that results in the shareholders of the Company receiving shares that have a value of \$2 million. Based on the proposed price of the Private Placement, this would result in the common shares of the Company being consolidated on a 1:2.605 basis resulting in approximately 10,000,000 Debut Diamonds Shares outstanding on a post-Share Consolidation basis (each, a "Consolidated Debut Diamonds Share"). The 6,000,000 issued and outstanding warrants of Debut Diamonds ("Debut Diamonds Warrants") will be consolidated into 2,302,822 Debut Diamonds Warrants. Each Debut Diamonds Warrant will be exercisable for one Consolidated Debut Diamonds Share at an exercise price of CAD\$0.1303 per share.

In accordance with the terms of the Transaction, the holders of the issued and outstanding ordinary shares in the capital of Inolife (the "Inolife Shares") will be issued one (1) Consolidated Debut Diamonds Share in exchange for every one (1) Inolife Share held immediately prior to the completion of the Transaction (the "Exchange Ratio"). Outstanding convertible securities of Inolife (the "Inolife Convertible Securities") will either automatically adjust in accordance with their terms such that, following the completion of the Transaction, the holders of Inolife Convertible Securities will acquire Resulting Issuer Shares, or will be replaced with equivalent convertible securities of the Resulting Issuer entitling such holders to acquire Resulting Issuer Shares on the same terms as the Inolife Convertible Securities that they will replace.

Debut Diamonds Shareholder Meeting

Prior to the completion of the Transaction, Debut Diamonds will call a meeting of its shareholders for the purpose of approving, among other matters (the "Debut Meeting Matters"):

- a change of name of the Company as directed by Inolife and acceptable to the applicable regulatory

authorities effective upon Closing;

- the Share Consolidation;
- the reconstitution of the Company's board of directors;
- if required by the CSE, the approval of the Transaction; and
- such other matters as Inolife may reasonably request.

Inolife Private Placement

Inolife will complete a non-brokered private placement (the "Private Placement") of units ("Inolife Units") at a price of CAD\$0.20 per Inolife Unit for targeted gross proceeds of CAD\$2,500,000 or such amount as is necessary to cause the Resulting Issuer to meet the original listing requirements of the CSE following the Transaction. Each Unit will be comprised of one (1) Inolife Share and one-half of one common share purchase warrant (each whole warrant an "Inolife Warrant"), with each Inolife Warrant being exercisable for one Inolife Share at an exercise price of CAD\$0.30 per Inolife Share for a period of 24 months following the Closing. Inolife may pay eligible finders a cash commission equal to 8% of the gross proceeds, and issue broker warrants, expiring two years following the closing date of the Private Placement, and entitling the holder thereof to purchase that number of Inolife Units equal to 8% of the Inolife Units sold at a price of \$0.20 per unit. The net proceeds of the Private Placement will be used for the execution of Inolife's strategic plan and to meet regulatory requirements.

European Pharma Acquisition

Inolife has entered onto an agreement to purchase all of the issued and outstanding shares in the capital of European Pharma Group B.V. ("European Pharma") prior to closing the Transaction (the "European Pharma Acquisition"). European Pharma and its subsidiaries are in the business of needle-free injection devices, namely the development of needle-free injection products and technologies. Upon closing of the European Pharma Acquisition, Inolife will issue the vendors an aggregate of 20,000,000 Inolife Shares and a debenture in the principal amount of €6,000,000, bearing no interest and being convertible at the option of the holder into Inolife Shares at a conversion price of CAD\$0.95 per, and may, pursuant to a purchase price adjustment provision, be additionally be required to issue the vendors up to 5,000,000 Inolife Shares and to make a cash payment of up to €1,000,000.

Management of the Resulting Issuer

Upon closing of the Transaction, all of Debut Diamonds' current directors and executive officers will resign and the board of directors and executive officers of the Resulting Issuer will, subject to the approval of governing regulatory bodies and applicable securities and corporate laws, be comprised of the nominees of Inolife. Details of the proposed directors and executive officers of the Resulting Issuer will be disclosed in a further news release.

Closing Conditions

The completion of the Transaction is subject to a number of conditions, including but not limited to the following:

- the execution of a definitive agreement;
- the approval by the shareholders of Debut Diamonds of the Debut Meeting Matters;
- completion of the Share Consolidation;
- completion of the European Pharma Acquisition; and
- receipt of all required regulatory, corporate and third-party approvals, including approvals by governing regulatory bodies, the CSE, and the fulfilment of all applicable regulatory requirements and conditions necessary to complete the Transaction

Further information

Further details about the Transaction and the Resulting Issuer will be provided in a comprehensive news release when the parties enter into the definitive agreement.

Investors are cautioned that any information released or received with respect to the Transaction in this press release may not be complete and should not be relied upon. Trading in the Debut Diamonds Shares should be considered highly speculative.

The securities to be issued in connection with the Transaction have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in Regulation S promulgated under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Completion of the Transaction is subject to a number of conditions, including but not limited to, CSE acceptance and if applicable, disinterested shareholder approval. Where applicable, 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 management information circular or listing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Debut Diamonds should be considered highly speculative.

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

About Debut Diamonds Inc.

Debut Diamonds Inc. is a mineral exploration company with no current activities or operations.

Cautionary Statements Regarding Forward Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the proposal to complete the Transaction and associated transactions. Any such forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the expected terms of the Transaction, the number of securities of Debut Diamonds that may be issued in connection with the Transaction, the ownership ratio of the Resulting Issuer post-closing, the Private Placement, the European Pharma Acquisition, shareholder approval, Inolife's strategic plans and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. Debut Diamonds and Inolife assume no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

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