

Debut Diamonds Announces Reverse Takeover Transaction with Wesana Health and Brokered Financing Led by Stifel GMP

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Toronto, Feb 2, 2021 - [Debut Diamonds Inc.](#) (CSE: DDI) ("Debut Diamonds" or the "Company") announces that it has entered into a binding agreement (the "Agreement") dated February 2, 2021 with WeSana Health Inc. ("Wesana Health") to complete a business combination by way of a transaction that will constitute a reverse takeover of the Company by Wesana Health (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").

The Transaction will be structured as an amalgamation, arrangement, takeover bid, share purchase or other similar form of transaction or a series of transactions that have a similar effect with the Company acquiring all shares of Wesana Health. 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. The resulting issuer that will exist upon completion of the Transaction (the "Resulting Issuer") will change its business from mining to the health sciences industry.

Under the Transaction, existing shareholders of Debut Diamonds as of immediately prior to the completion of the Transaction, assuming exercise in full of the outstanding warrants of Debut Diamonds, would hold such number of Consolidated Debut Shares (as defined below) (whose voting rights will be subordinated) that have an aggregate value of US\$1.5 million, as described below.

Description of Wesana Health and its Business

Wesana Health is an emerging life sciences company championing the development and delivery of psychedelic and naturally-sourced therapies to treat traumatic brain injury (TBI). Through extensive clinical research and academic partnerships, Wesana Health is developing evidence-based formulations and protocols that empower patients to overcome neurological, psychological and mental health ailments caused by trauma.

Learn more at www.Wesanahealth.com

Share Consolidation and Exchange of Securities

Pursuant to the terms of the Agreement, the Company will effect a consolidation (the "Share Consolidation") of its issued and outstanding common shares (the "Debut Shares") prior to completion of the Transaction (the "Closing"), accounting for any additional Debut Shares issuable upon the exercise of the 6,000,000 outstanding warrants of Debut Diamonds, that results in the shareholders (including warrant holders) of the Company receiving shares that have a value of US\$1.5 million based on the Equivalent Price Per Share (as defined below). The class of Debut Share upon completion of such Share Consolidation is referred to herein as the "Consolidated Debut Shares".

The Equivalent Price Per Share will be equal to (a) the Wesana Health Note Conversion Price (as defined below), multiplied by (b) (US\$13,000,000, plus the aggregate principal amount of the outstanding Wesana Health Convertible Notes (as defined below)), divided by US\$13,000,000.

In accordance with the terms of the Transaction, the holders of the issued and outstanding ordinary shares in the capital of Wesana Health (the "Wesana Health Shares") will be issued one (1) Consolidated Debut Share or an economically equivalent number of Super Voting Shares or Multiple Voting Shares (defined below) (in each case, being shares of the Resulting Issuer) in exchange for every one (1) Wesana Health Share (the "Exchange Ratio") held immediately prior to the completion of the Transaction. Outstanding convertible notes of Wesana Health (the "Wesana Health Convertible Notes") will be converted into Wesana Health Shares pursuant to their terms and based on a conversion price per share determined by dividing US\$13,000,000 by the then fully diluted number of shares of Wesana Health, excluding from this calculation the Wesana Health Convertible Notes and the Wesana Health Subscription Receipts (as defined below) (the "Wesana Health

Note Conversion Price"). The resulting Wesana Health Shares issued on conversion will be exchanged for shares of the Resulting Issuer based on the Exchange Ratio.

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 Wesana Health and acceptable to the applicable regulatory authorities effective upon Closing which is currently expected to be Wesana Health Holdings Inc.;
- the Share Consolidation;
- the creation of a new class of super voting shares (the "Super Voting Shares"), which would have voting rights superior to the Consolidated Debut Shares and which would be issued to certain founders of Wesana Health;
- the creation of a new class of multiple voting shares (the "Multiple Voting Shares"), which would have economic and voting rights equivalent to the Consolidated Debut Shares and which would be issued to certain U.S. resident holders of Wesana Health Shares to facilitate satisfying from time to time certain United States securities laws matters;
- the reconstitution of the Resulting Issuer's board of directors;
- if required by the CSE, the approval of the Transaction; and
- such other matters as Wesana Health may reasonably request.

Voting Support Agreements

Certain current shareholders of Debut Diamonds representing approximately 79% of the current outstanding Debut Shares have agreed to vote their shares in support of the Transaction and the approval of the Debut Meeting Matters.

Wesana Health Private Placement

Wesana Health, or a newly formed special purpose financing vehicle, will complete a brokered private placement (the "Private Placement") of subscription receipts ("Wesana Health Subscription Receipt") to be led by Stifel GMP (together with any additional appointed agents, the "Agents") at a price per Wesana Health Subscription Receipt (the "Issue Price") to be determined in the context of the market for targeted gross proceeds of up to CAD\$15,000,000. Pursuant to their terms, upon the conditions to conversion being met prior to June 30, 2021, including the receipt of necessary approvals to complete the Transaction, the Wesana Health Subscription Receipts will be converted into units of Wesana Health ("Wesana Health Unit"), each of which will be comprised of one (1) Wesana Health Share and one-half of one common share purchase warrant (each whole warrant a "Wesana Health Warrant"), with each Wesana Health Warrant being exercisable for one Wesana Health Share at an exercise price per Wesana Health Share to be determined in the context of the market for a period of 24 months following the Closing. The Wesana Health Shares will be exchanged at the Exchange Ratio for Consolidated Debut Shares and the Wesana Health Warrants will either be exchanged at the Exchange Ratio for share purchase warrants of the Resulting Issuer at Closing or will provide that following Closing holders of the Wesana Health Warrants will, upon exercise, receive Consolidated Debut Shares based on the Exchange Ratio. Wesana Health will pay the Agents a cash commission equal to 6% of the gross proceeds of the Private Placement and issue the Agents compensation options, expiring two years following the closing date of the Private Placement, to purchase that number of Wesana Health Shares at the Issue Price that is equal to 6% of the Wesana Health Units sold. The Agents' cash commission and number of compensation options shall be reduced to 3% of gross proceeds and number of units sold, respectively, for purchasers on the president's list. The net proceeds of the Private Placement, together with 50% of the cash commission payable to the Agents, will be placed in escrow pending completion of the Transaction and upon completion thereof and the release of the net proceeds, it is currently contemplated that they will be used for the execution of Wesana Health's strategic plan.

Management of the Resulting Issuer

Upon Closing, all of Debut Diamonds' current directors and executive officers will resign and the board of directors and executive officers of the Resulting Issuer will be comprised of the nominees of Wesana Health. 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:

- completion of the Private Placement;
- the approval by the shareholders of Debut Diamonds of the Debut Meeting Matters; 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

It is anticipated that trading of the Debut Shares on the CSE will be halted until the Transaction is completed and all necessary filings have been accepted by applicable regulatory authorities.

Investors are cautioned that any information released or received with respect to the Transaction in this news release may not be complete and should not be relied upon.

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 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 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 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, shareholder approval, Wesana Health'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 Wesana Health 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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