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## **Choom™ and ABcann Announce Strategic Investment and Supply Agreement**

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Vancouver, BC and Napanee, ON – March 19, 2018 – Choom™ (CSE: CHOO; OTCQB: CHOOF) (the "Company" or "Choom") and ABcann Global Corporation ("ABcann") (TSXV: ABCN, OTCQB: ABCCF) are pleased to announce that the Company has completed a financing of subscription receipts (each, a "Subscription Receipt") for gross proceeds of \$7.0 million including a \$4.0 million lead order from ABcann.

### **Strategic Subscription Receipt Financing - \$7.0 million**

Further to Choom's news release of March 19, 2018, the Company announces that it has completed a strategic private placement of Subscription Receipts concurrent with the execution of a definitive agreement relating to the acquisition of International Tungsten Inc. ("ITI"). In total 11,666,991 Subscription Receipts were issued for gross proceeds of \$7.0 million (the "Offering"), including a strategic \$4.0 million lead order from ABcann.

"ABcann remains committed to becoming a global leader in the cannabis sector. With our strategic investment in Choom, we are signaling a strong move into the recreational market with one of the premium recreation brands in Canada," stated Barry Fishman, CEO of ABcann. "With our strong cash position of approximately \$135,000,000, ABcann intends to pursue other accretive opportunities to diversify our industry presence. We look forward to working with and assisting the Choom team with the supply of our premium grown products."

### **Supply Agreement**

Additionally, Choom™ has entered into a binding agreement (the "Supply Agreement") with ABcann whereby ABcann, one of Canada's premier growers, will supply Choom™ with premium cannabis products, subject to regulatory approval.

"The Supply Agreement will demonstrate our commitment to becoming one of Canada's leading retailers in the cannabis space. Working with ABcann will provide us with a premium line of products, with a strong focus on quality, in the roll-out of our retail store strategy, upon receipt of applicable regulatory approvals," stated Chris Bogart, President and CEO of Choom™. "As we expand our efforts to strengthen our retail platform and brand position, a partnership with one of the market leaders in quality and production will be of great value to our organization. The investment and supply agreement with ABcann is a strong endorsement of our strategy and a pivotal step in developing Choom™ as the premium brand in Canada's burgeoning recreational cannabis market."



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## Subscription Receipt - Unit Offering

The proceeds from the Offering are being held in escrow until the completion of the acquisition of ITI (the "Transaction"). Upon closing of the Transaction and satisfaction of the other escrow release conditions, each Subscription Receipt will be automatically converted, for no additional consideration and without any further action by the holder of such Subscription Receipt, into one unit of the Company (each a "Unit"). If the escrow release conditions are not satisfied by June 11, 2018, the Subscription Receipts will be cancelled and the escrowed proceeds from the Offering will be returned to the holders of the Subscription Receipts pro rata. For further details with respect to the Transaction, please see Choom's news release dated March 19, 2018, a copy of which is available under Choom's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Each Unit will consist of one common share of the Company (each, a "Common Share") and one common share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share of the Company for a period of 18 months from the date of issuance at a price of \$0.90 per Common Share. In the event that, following the conversion of the Subscription Receipts into Units, the 10-day volume weighted average trading price of the Common Shares on the Canadian Securities Exchange is above \$1.35, the expiry date of the Warrants will be accelerated to a date that is 30 days after the Company disseminates a news release announcing the accelerated expiry date.

The Subscription Receipts, and any Common Shares and Warrants issued upon conversion thereof, will be subject to a hold period expiring four months and one day after the closing of the Offering. The proceeds from the Offering will be used to cover costs of the Transaction, production facility improvements and for general working capital purposes.

None of the securities issued in connection with the Offering will be registered under the *United States Securities Act of 1933*, as amended (the "1933 Act"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

## SAY HELLO TO CHOOM™

**Choom™** was created for and inspired by the Choom Gang; a group of buddies in Honolulu during the 1970's who loved to smoke weed—or as the locals called it, "**Choom**". Now, after four decades, Choom™ is bringing the spirit of Hawaii to Canada. We're planting our flag in the rapidly growing legal cannabis industry in Canada with our own brand of high-grade handcrafted herb. Choom™ will provide an amazing experience for customers, and bring style, sophistication and fun to the cannabis market through our Choom™ stores.

## About ABcann:

ABcann holds production and sales licenses from Health Canada. Its flagship facility in Napanee, Ontario contains proprietary plant-growing technology, centred on its specially designed, environmentally-controlled growing



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chambers. This approach results in the production of pharmaceutical-grade cannabis products. ABcann is expanding its production capacity and pursuing partnership and product development opportunities domestically, as well as in select international markets, such as Germany, Australia and Israel.

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**Cautionary Statement:**

NEITHER OF THE TSX VENTURE EXCHANGE, THE CANADIAN SECURITIES EXCHANGE NOR THEIR REGULATIONS SERVICES PROVIDERS, HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

**Forward-looking information**

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the proposed Transaction and Choom's or ABcann's future business plans. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward looking statements in this news release include statements relating to the terms of the Transaction and the Offering; the expected benefits of, and impact on, the cannabis industry; and other statements regarding the business of Choom or ABcann. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including the risk that the CSE may not approve the Transaction, the Offering or the Supply Agreement; that the Transaction, the Offering or the Supply Agreement may not be completed for any other reason; or that factors may occur which impede or prevent Choom's future business and development plans. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits Choom or ABcann will obtain from them. Readers are urged to consider these factors carefully in evaluating the forward-looking statements contained in this news release and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. These forward-looking statements are made as of the date hereof and Choom and ABcann disclaim any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.