



**THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.**

## **ABCANN GLOBAL COMPLETES \$70 MILLION BOUGHT DEAL FINANCING AND \$4.8 MILLION EXERCISE OF UNDERWRITERS' OVER-ALLOTMENT OPTION**

**NAPANEE, ON – February 28, 2018** – ABCann Global Corporation (TSXV:ABCN) (“**ABCann**” or the “**Company**”) is pleased to announce that it has closed its bought deal financing, as previously announced on January 29, 2018, of: (i) 11,500,000 units (each, a “**Unit**”) of the Company at a price of \$3.50 per Unit, for aggregate gross proceeds of \$40,250,000 (the “**Unit Offering**”); and (ii) 30,000 6.0% unsecured convertible debentures (each, a “**Convertible Debenture**”) of the Company at a price of \$1,000 per Convertible Debenture, for aggregate gross proceeds of \$30,000,000 (the “**Debenture Offering**” and collectively with the Unit Offering, the “**Offering**”). The Offering was conducted by a syndicate of underwriters led by Canaccord Genuity Corp. and Eight Capital and including GMP Securities L.P. and PI Financial Corp. (collectively, the “**Underwriters**”). In addition, the Offering included 862,500 Warrants (defined below) and 4,500 Convertible Debentures sold pursuant to the exercise of the Underwriters’ over-allotment option, for additional aggregate gross proceeds of \$4,793,250.

“Completion of the Offering further increases our cash position to over \$135 million and will allow us to pursue multiple opportunities and execute our strategic vision,” stated Barry Fishman, ABCann’s Chief Executive Officer.

The Units and the Convertible Debentures were offered by way of a short form prospectus (the “**Prospectus**”) in all provinces of Canada except Quebec. The net proceeds of the Offering will be used for the expansion of the Company’s Vanluven facility, construction and development at the Company’s Kimmett facility, corporate development, product development and general working capital.

The Prospectus also qualified the distribution of 20,000,000 common shares of the Company (each, a “**Common Share**”) issuable on conversion of the \$30,000,000 of aggregate principal amount of 7.0% unsecured convertible debentures of the Company issued on December 21, 2017.

### **The Unit Offering**

Each Unit is comprised of one common share (each a “**Unit Share**”) of the Company and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one additional Common Share (each, a “**Warrant Share**”) of the Company at an exercise price of \$4.25 per Warrant Share, subject to adjustment in certain circumstances, until February 28, 2020. The Warrants were issued pursuant to the terms of a warrant indenture entered into between the Company and TSX Trust Company, as warrant agent. In the event that the Common Shares have a daily volume weighted average trading price of \$7.00 or higher on the TSX Venture Exchange (the “**TSXV**”) for a period of 15 trading days, the Company shall be entitled to accelerate the exercise period of the Warrants to a period ending not less than 30 days from the date written notice of acceleration is provided to Warrant holders.



## The Debenture Offering

The Convertible Debentures mature on February 28, 2021 (the “**Maturity Date**”) and the outstanding principal of the Convertible Debentures bears interest (the “**Debenture Interest**”) at 6.0% per annum, payable semi-annually in arrears on June 30 and December 31 in each year, commencing on June 30, 2018. The Convertible Debentures have been issued pursuant to the terms of a debenture indenture entered into between the Company and TSX Trust Company, as debenture trustee. Each Convertible Debenture is convertible into Common Shares (each, a “**Conversion Share**”) at the option of the holder at any time prior to the close of business on the earlier of the last business day immediately preceding the Maturity Date at a conversion price of \$4.00 per Conversion Share, subject to adjustment in certain circumstances.

## 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 chambers. This approach results in the production of pharmaceutical-grade cannabis products.

The Company is expanding its cultivation capacity and pursuing partnerships and product development opportunities domestically, as well as in select international markets, such as Germany, Australia and Israel.

ON BEHALF OF THE BOARD OF DIRECTORS

*“Barry Fishman”*

Barry Fishman  
CEO and Director

For further information, please contact:

Barry Fishman  
CEO and Director  
[barry.fishman@abcannglobal.com](mailto:barry.fishman@abcannglobal.com)

Michael Bumby  
CFO  
[michael.bumby@abcannglobal.com](mailto:michael.bumby@abcannglobal.com)

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

## Disclaimer for Forward Looking Statements

Certain statements in this news release are forward-looking statements, which are statements that are not purely historical, regarding the beliefs, plans, expectations or intentions of ABcann and its management regarding the future. Forward looking statements in this news release include statements relating to: the proposed use of proceeds from the Offering; and the fact that the Offering will allow ABcann to pursue multiple opportunities and execute its strategic vision. Such statements are subject to risks and uncertainties that may cause actual results, performance or



developments to differ materially from those contained in the forward-looking statements, including: that the Company may not use the proceeds from the Offering as expected; that the Offering may not allow ABcann to pursue multiple opportunities and execute its strategic vision; and other factors beyond the Company's control. 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 the Company will obtain from them. Readers are urged to consider these factors, and the more extensive risk factors included in the Prospectus, which is available on SEDAR, carefully in evaluating the forward-looking statements, and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements in this news release are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.