

# Viridium Acquisition Laboratories

# Completes of EFX



February 11, 2019 (Source)  
– Viridium Pacific Group Ltd.  
("Viridium") (TSXV: VIR) (OTC PINK:  
VIRFF) is pleased to announce it  
has completed the acquisition of  
EFX Laboratories Inc. ("EFX") it  
previously announced on January 7,

2019, by way of an amalgamation of EFX and 2163903 Alberta Ltd., a wholly-owned subsidiary of Viridium, in accordance with the *Business Corporations Act* (Alberta) (the "Amalgamation").

Under the terms of the amalgamation agreement among Viridium, EFX and 2163903 Alberta Ltd., Viridium acquired all of the issued and outstanding class A voting shares of EFX ("EFX Shares") on the basis of 1 common share of Viridium (a "Viridium Share") for every 2.57 EFX Shares, resulting in the issuance of 49,412,781 Viridium Shares (including all EFX Shares issued in connection with the exercise of in-the-money EFX options). In addition, all out-of-the-money EFX stock options have been exchanged for an aggregate of 1,089,491 Viridium stock options.

EFX is a Canadian biotech company located in Calgary focused on medical cannabis applications and treatments and has developed several proprietary formulations for pain control, as well as a suite of value-added wellness products. Key products of EFX include a proprietary two piece pill for postoperative pain control actively being prepared for a phase III clinical trial and over 50 market tested wellness formulas and products ranging from creams, tinctures, sprays and oils.

“The acquisition of EFX deepens our focus in the medical cannabis industry,” states Viridium CEO Jay Garnett, “with the addition of EFX assets and its key people, we further our vision of supplying industry leading value added products formulated from our own cultivated cannabis”.

Animus Capital Partners Inc. (“**Animus**”) acted as exclusive financial advisor to Viridium in respect of the Amalgamation. Animus is a global financial advisory and merchant banking firm based in Calgary, Alberta. Animus is focused on investing, advising and partnering with leading companies in select industries.

Mathew August, Executive Managing Director of Animus Capital Partners, commented “this creates a preeminent leading biotech focused company with tier one management, board governance and a business strategy that attracts institutional capital and market interest going forward”.

### **Management and Board of Directors**

Viridium’s board of directors is now comprised of five existing Viridium directors (Jay Garnett, Harry McWatters, Sean MacNeil, Benjamin Eastwood and Dan Echino) and two former EFX directors (Michael Kohut and Michael Black). In order to accommodate the new board members, Viridium wishes to thank Jarrett Malnarick and Gary Purewal, who have stepped down and resigned as directors, for their valuable contributions to Viridium’s board. Viridium’s management team is unchanged, being comprised of Jay Garnett (President and Chief Executive Officer) and Jarrett Malnarick (Senior Vice President and Chief Operating Officer).

### **Strategic Rationale**

Viridium believes that the Amalgamation is consistent with Viridium’s stated goal of producing a strong portfolio of cannabis brands and products for the Canadian medical, wellness, and export markets and that the financial and

strategic benefits of the Amalgamation are uniquely compelling to its shareholders. Viridium anticipates that the Amalgamation will position it for a strong go-forward strategy to create a long term sustainable growth company focused on the “3rd wave” of cannabis investment which will include biotech applications in the medical, retail consumer wellness product market.

The Amalgamation is expected to accelerate the completion of Viridium’s business initiatives in the next 24 to 36 months. The combined company is fully-funded to execute its business initiatives with a strong balance sheet with more than \$10 million cash on hand. Viridium, as combined with EFX, is now vertically integrated from seed to value added product, with all of the Health Canada licences required to execute its business strategy.

### **Trading Halt**

Viridium expects that the halt on Viridium Shares will be lifted by the TSX Venture Exchange (the “**Exchange**”) today, February 11, 2019.

### **About Viridium**

Viridium is a consumer wellness and biotech innovation company based in British Columbia, and the parent company of Experion Biotechnologies Inc. (“**Experion**”), a Health Canada licensed producer of cannabis, which operates in an 8,300 square-foot indoor facility outside of Mission, British Columbia. Experion currently a cultivation and processing license issued under the *Cannabis Act*.

### **Reader Advisory**

Investors are cautioned that any information released or received with respect to the Amalgamation may not be accurate or complete and should not be relied upon.

The Exchange has in no way passed upon the merits of the Amalgamation and has neither approved nor disapproved of the contents of this news release.

Neither the Exchange nor its regulation services provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

### **Further Information**

[www.viridiumpacific.com](http://www.viridiumpacific.com)

### **Forward Looking Statements**

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws (collectively, "forward-looking statements"). The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this news release contains forward-looking statements concerning Viridium's goals, strategy, business plan and capitalization; the benefits of the Amalgamation; the cannabis industry and investment therein, Health Canada licenses; and the Exchange's halt on Viridium Shares. The forward-looking statements are based on certain key expectations and assumptions made by Viridium, including, among other things the success of Viridium's and EFX's operations as a combined entity, expected growth, results of operations, performance, industry trends and growth opportunities, and synergies expected to result from the Amalgamation. Although Viridium believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Viridium can give no assurance that they will prove to be correct. By*

*their nature, forward-looking statements are subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties, include, but are not limited to unforeseen difficulties or delays in integrating the assets of EFX into Viridium's operations, risks associated with general economic conditions; adverse industry events; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the cannabis industry in Canada generally, income tax and regulatory matters; the ability of Viridium to implement its goals, strategies and business plans; competition; currency and interest rate fluctuations and other risks. Readers are cautioned not to place undue reliance on the forward-looking statements, which are given as of the date hereof, and to not use such forward-looking statements for anything other than their intended purpose. Viridium undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.*