

FinCanna Portfolio Company QVI Inc. Receives California Manufacturing License for Production of Cannabis Infused Products

written by Raj Shah | April 15, 2020



April 15, 2020 ([Source](#)) – FinCanna Capital Corp. (“**FinCanna**”) (CSE:CALI)(OTCQB:FNNZF) a royalty company for the U.S. licensed cannabis industry is pleased to announce that its portfolio company, QVI Inc., a cannabis-infused product

manufacturer located in Sonoma County, California and doing business as “The Galley”, has completed the build out of its co-manufacturing facility and has been issued its California Cannabis Manufacturing License Type N, by the Manufactured Cannabis Safety Branch, CA Department of Public Health. The Type N licenses permits “The Galley” to manufacture, package and label all cannabis infused products.

The Galley is an 8,300 square foot state-of-the-art co-manufacturing facility designed to meet the highest Food and Drug Administration and California Dept. of Public Health standards. The facility is built to FDA and CDPH standards and is focused on high demand areas of production; Edibles, Topicals, Tinctures, Chocolates, Hard Candies, Gummies, Beverages, Vapes, Pre-Rolls and Flower Packaging.

Having received its state manufacturing license, The Galley team

expects to be shipping finished products to the market within the next four to six weeks.

Annie Holman, Co-Founder of QVI said, "Receiving our manufacturing license is a major victory for the Galley, and we are excited to now be open for business. We designed and built the Galley to be the premier co-manufacturing facility in California, offering true one-stop shopping for both in and out-of-state brands. Our client list is substantial, and we will be onboarding them as quickly as we can, which positions us for strong growth. In addition, and unlike other sectors of the cannabis market, there is significantly less competition from the 'black market' for the edibles that we produce."

"This is a major milestone for the QVI team and for FinCanna shareholders," said Andriyko Herchak, CEO of FinCanna Capital. "QVI is very well positioned to capitalize on a growing market opportunity for high-quality cannabis infused products as evidenced by the strong demand for their services. The Galley delivers exceptional benefits to brands seeking to expand their product offerings and growth prospects across California. We applaud QVI's efforts and look forward to a prosperous future for The Galley as well as a significant source of recurring and increasing royalties for FinCanna."

Under the Royalty Agreement, FinCanna will receive a tiered corporate royalty, adjusted based on revenues, ranging from 15% to 6% of QVI's total revenues, with the top royalty rate of 15% on the first US\$20 million of annual sales until cumulative royalties to FinCanna of US\$10 million are achieved. In addition, FinCanna is entitled to earn a Supplemental Payment, when coupled with the royalty, will now ensure FinCanna receives a minimum of 35% of the annual after-tax net income from QVI. The supplemental payment will accrue annually and be paid out upon certain triggering events, including a change of control,

an initial public offering or certain other specified events of QVI.

About QVI

QVI, which stands for Quality, Value and Integrity, is located in Sonoma County, California. Their purpose-built facility known as The Galley is differentiated from other contract manufactures by its automated capabilities to produce virtually all high-value cannabis products at large volumes under one roof. The facility is built to FDA and CDPH standards and is focused on high demand areas of production; Edibles, Topicals, Tinctures, Chocolates, Hard Candies, Gummies, Beverages, Vapes, Pre-Rolls and Flower Packaging.

QVI's immediate goal is to become the premier contract manufacturer in California, the largest single market in North America and, upon success, to license products nationally and globally.

About FinCanna Capital Corp.

FinCanna is a royalty company that provides growth capital to rapidly emerging private companies operating in the licensed U.S cannabis industry. The company earns its revenue from royalties paid by its investee companies that are calculated based on a percentage their total revenues.

FinCanna's scalable royalty model provides an attractive alternative or complement to debt or equity financing for its investee companies. FinCanna is focused on delivering high-impact returns to its shareholders by way of a strategically diversified investment portfolio.

For additional information visit www.fincannacapital.com and FinCanna's profile at www.sedar.com

FinCanna Capital Corp.

Andriyko Herchak, CEO & Director

Forward-Looking Information

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as “anticipate”, “believe”, “plan”, “estimate”, “expect”, and “intend”, statements that an action or event “may”, “might”, “could”, “should”, or “will” be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about the market for, and effectiveness of, QVI products or services, the ability of QVI to commence and expand operations and generate sales, revenues profits and positive cashflows, the results of operations of QVI and the timing thereof, QVI’s client lists, FinCanna’s ability to fund and source future projects, and FinCanna’s ability to earn and realize revenues from its investee companies. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risks identified in the CSE listing statement available at www.SEDAR.com and other reports and filings with the applicable Canadian securities regulators. Forward-looking statements are made based on management’s beliefs, estimates and opinions on the date that statements are made, and the respective companies undertake no obligation to update forward-looking statements if these beliefs, estimates and opinions or

other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.