

# SOL Global Completes Acquisition of 3 Boys Farms through the Purchase of CannCure Investments Inc.

written by Raj Shah | April 8, 2019



April 8, 2019 ([Source](#)) – SOL Global Investments Corp. (“**SOL Global**” or the “**Company**”) (CSE: SOL) (OTCQB: SOLCF) (Frankfurt: 9SB) is pleased to announce the completion of its acquisition of CannCure Investments Inc. (“**CannCure**”), a privately-

held Ontario corporation that indirectly holds 100% of 3 Boys Farms, LLC (“**3 Boys Farms**”), a Florida limited liability company with a Florida state license to cultivate, process and dispense medical marijuana.

Pursuant to the terms of an amended and restated share purchase agreement (the “**Amended Purchase Agreement**”) between the Company, CannCure and the shareholders of CannCure (the “**Sellers**”), SOL Global acquired all of the issued and outstanding common shares of CannCure for a revised purchase price of US\$41,207,519, which was partially satisfied by the issuance of 7,317,500 common shares of SOL Global (“**Consideration Shares**”) at a negotiated price of CAD \$4.00 per share to the Sellers on a *pro-rata* basis.

Further to the terms of the Amended Purchase Agreement, in the event that the Company announces a binding agreement to re-sell 3 Boys Farms within 24 months of the closing date, then the Company will also pay an earn-out structured as follows: (i) the

Company and the Sellers will each receive funds from the sale proceeds as reimbursement of the amounts each had invested into 3 Boys Farms; and ii) any remaining amount from such sale proceeds would be split, with 42% going to the Company and 58% going to the Sellers. If the Company fails to announce a binding agreement to sell 3 Boys Farms within 2 years of the closing date, then the Company will pay the Sellers a payment of US\$80,000,000.

3 Boys Farms' operations consist of 40,000 square feet of fully-operational greenhouses located on an eight-acre parcel of land. The existing facilities include a two-acre odor mitigation space that is run 100% with harvested rainwater, solar pumps and repurposed high-volume chilled air from the cultivation greenhouses, resulting in a zero-carbon footprint. 3 Boys Farms' innovations, including alternative energy use, greenhouse cooling designs, and rainwater harvesting, were recognized and honored by the Governor's Environmental Leadership Award. Additionally, 3 Boys Farms has commenced extraction and processing operations at its new GMP-certified farm and laboratory facility in Indiantown, Florida. The new facility will also include 64,000 square feet of indoor cultivation and processing space and 50,000 square feet of greenhouses. Cultivation at the new facility is expected to commence in the third quarter of 2019. The new facility will add to the production capacity of 3 Boys Farms, which currently harvests approximately 350 pounds of premium-quality cannabis flower per month out of its facilities in Ruskin, Florida.

Brady Cobb, the Chief Executive Officer and a director of the Company, was a shareholder of CannCure and received 239,414 Consideration Shares, representing 3.27% of the total number of Consideration Shares issued to the Sellers. Mr. Cobb declared his conflict-of-interest to the Company's board of directors and did not participate in the ultimate decision-making

deliberations of the board of directors regarding the acquisition of CannCure. The acquisition of CannCure was not a related party transaction as contemplated under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* in that Mr. Cobb was neither a director nor officer of SOL Global at the time SOL Global entered into a binding letter of intent to acquire CannCure in July of 2018.

### **About SOL Global Investments Corp.**

SOL Global is an international investment company with a focus on, but not limited to, cannabis and cannabis related companies in legal U.S. states, the hemp and CBD marketplaces and the emerging European cannabis and hemp marketplaces. Its strategic investments and partnerships across cultivation, distribution and retail complement the company's R&D program with the University of Miami. It is this comprehensive approach that is positioning SOL Global as a future frontrunner in the United States' medical cannabis industry.

### **Forward-Looking Statements**

*This news release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy.*

*The forward-looking information contained in this press release includes statements relating to the terms and amounts of*

additional earn-out payments in the event of a future sale of 3 Boys Farms and the expansion of 3 Boys Farms' operations. Forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances. While we consider these assumptions to be reasonable based on information currently available to management, there is no assurance that such expectations will prove to be correct.

By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release. Such factors include, but are not limited to: the Company's ability to comply with all applicable governmental regulations in a highly regulated business; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US federal laws; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use and adult-use marijuana industry; and regulatory or political change. Additional risk factors can also be found in the Company's current MD&A and annual information form, both of which have been filed on SEDAR and can be accessed

at [www.sedar.com](http://www.sedar.com).

*Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.*

The securities referred to in this news release have not been and will not be registered under the *United States Securities Act of 1933*, as amended ("**U.S. Securities Act**"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent such registration or an applicable exemption from the registration requirements of the U.S. Securities Act. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities.