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## **Parana announces name change to Redfund Capital Corp and transformation into a merchant bank focusing on cannabis**

VANCOUVER, BRITISH COLUMBIA, January 17, 2018 / Parana Copper Corporation (CSE:COPR / FF:03X2) (the “**Company**”) wishes to announce that in conjunction with a name change to **Redfund Capital Corp. (“Redfund”)**, the Company is undertaking a change of business to become a merchant bank, with a focus on the cannabis sector, both in Canada and the United States. Subject to the approval of the Canadian Securities Exchange (the “**Exchange**”), the Company will acquire all of the shares of Ultra Invest Canada Inc., a non-arms-length private company controlled by the Company’s CEO, Meris Kott, for 4,000,000 common shares to be issued from treasury at a deemed price of \$0.25 per share (the “**Transaction**”). That company has no significant assets other than a developed a base of potential banking customers.

Redfund will provide debt and equity funding in the mid to late stages of a target company’s development, or in technologies that are developed and validated but may be in the early stage of commercialization. This strategy allows Redfund to fund enterprises that are commercially viable, and that have visibility toward high growth. Redfund is not bound to commit to any particular sector, thereby allowing for diversification; however, the present focus is generally on cannabis-related, healthcare-related target companies. Redfund seeks investments that include as many of the following characteristics as possible:

- (i) a product/service with national/international market potential;
- (ii) gross margins that support a sustainable growth rate in excess of 25% per annum and at least 15% per annum;
- (iii) low asset intensity ratios (i.e. less than 50%);
- (iv) protected intellectual property;
- (v) scalability; and
- (vi) currently revenue generation.

Redfund shall also focus on companies it sees as having clear paths to liquidity in a three to five year period.

### **CONCURRENT FINANCING**

Concurrent with this transaction Redfund has engaged Dominick Capital Corporation to lead a brokered private placement of up to \$35,000,000 by the issuance of units at \$0.45 per unit (the “**Private Placement**”) Each unit will consist of one common share and one warrant entitling the holder to subscribe for one common share for \$0.70 for 2 years, subject to Redfund having the right to accelerate the expiry date if the shares trade at \$1.00 for a period of 14 consecutive days which can include days where no Shares trade. Proceeds of the private placement will be used to pay for the costs of the transaction, estimated to be \$100,000, for working capital and to provide loans to customers.

The Transaction and Private Placement have been unanimously approved by the Board of Directors of the Company (with Ms. Kott declaring her interests in the transaction), as being in the best interests of the Company, and necessary in order for the Company, which is in serious financial difficulty, to continue as a going concern. As Ms. Kott is an insider and related party of the Company, the Company is required to comply with Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, unless there is an exemption available. The exemption relied upon by the Company in respect of these transactions is the financial hardship exemption. Given the financial condition of the Company, its stage of development and the need for immediate funds, it was not feasible for the four member board to form a special committee.

The Company does not expect to file a material change report in respect of the related party transaction at least 21 days before the closing of the Private Placement and the Transaction, which the Company deems reasonable in the circumstances, in order to avail itself of the proceeds of the Private Placement and complete the offering in an expeditious manner. In addition there was no certainty regarding the completion of the Private Placement and until completed there is no guarantee that the Transaction will close.

This transaction is considered a Fundamental Change under the policies of the Exchange. Trading in the shares of the Company will remain halted until the transaction is approved by the Exchange and shareholders of the Company. There is no assurance that this transaction will be approved.

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

Certain statements contained in this release may constitute "forward-looking statements" or "forward-looking information" (collectively "forward-looking information") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated", "anticipates" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the business of the Company, financing and certain corporate changes. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.