

## Genius Properties Ltd.

CNSX : GNI



June 23, 2014 13:14 ET

### Genius Enters Into a Letter of Intent to Purchase a 70% Interest in an Electronic Cigarette Distributor

**MONTREAL, QUEBEC--(Marketwired - June 23, 2014)** - Genius Properties Ltd. (the "**Corporation**" or "**Genius**") (CSE:GNI) is pleased to announce that it has entered into a letter of intent (the "**LOI**") to acquire, through a subsidiary, a 70% interest in the assets of Zen Cigarette Inc., ("**ZenCig**"), a company specializing in the distribution and processing of electronic cigarettes.

Basic terms of the LOI provide for the acquisition of the assets of ZenCig by a newly created corporation ("**Newco**") in which Genius will have a 70% interest and the current owners of ZenCig will hold 30%. Newco will purchase the ZenCig assets for an aggregate consideration of 670,000 common shares of Genius at a deemed price of \$0.25 per share and 300,000 warrants to purchase common shares of Genius. The assets of ZenCig include, namely, inventory, goodwill, intellectual property, web domain name [www.zencig.com](http://www.zencig.com), permits and other distribution rights. While Genius will control the corporate affairs of Newco, it is anticipated that the current ZenCig management team will manage day-to-day operations.

Stéphane Leblanc, President of Genius, commented: "This is an extremely exciting project for Genius. This transaction brings immediate revenues to the Corporation and will drive Genius to a much higher level".

The acquisition is subject to the parties entering into definitive agreements which will include, namely, standard not compete undertakings by the principals of ZenCig. Closing is also subject to satisfactory due diligence by the Corporation as well as board and CSE approval. The transaction is expected to be completed in a timely manner but no later than July 4, 2014.

### About Electronic Cigarettes Market

Wells Fargo estimates that figure will top \$10 billion by 2017 and Bloomberg Industries projects that sales will exceed those of traditional cigarettes by 2047. The e-cigarette industry is a new and rapidly expanding sector with significant potential for investors. It is widely believed that e-cigarettes represent a healthy alternative to smoking and the development of this market could have a favorable impact by helping regular tobacco users to quit smoking. Recently, many of the largest tobacco companies have announced that they were entering into the e-cigarette market.

## **About Genius Properties**

Genius is primarily targeting Quebec's excellent mineral potential to discover new world-class deposits. Genius is the ideal partner for exploration companies and capital pool companies looking for qualified transaction projects of merit. Genius intends to enter into various types of agreements on its properties. Management is currently evaluating, through specialized wholly-owned subsidiaries of the Corporation, other opportunities in other markets and industries having a strong growth potential to enhance shareholder value in the short term.

This news release contains forward-looking information within the meaning of applicable Canadian securities laws. All information other than historical fact is forward-looking information. Forward-looking information relates to future events or future performance and is based on Genius, current internal expectations, estimates, projections, assumptions and beliefs. Forward-looking information is often, but not always, identified by the use of words such as "expect", "project", "proposed", "intend", "seek", "anticipate", "budget", "plan", "continue", "estimate", "forecast", "may", "will", "predict", "potential", "targeting", "could", "might", "should", "believe" and similar expressions. Although management considers the assumptions and estimates, reflected in forward-looking information, to be reasonable, based on information currently available, there can be no assurance that such information will prove to be correct. As a consequence, actual results may differ materially from those anticipated.

Undue reliance should not be placed on forward-looking information which is inherently uncertain, and subject to known and unknown risks and uncertainties (both general and specific) and other factors that contribute to the possibility that the future events or circumstances contemplated by the forward looking information will not occur or that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. These risks include, but are not limited to risks associated with general economic conditions, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future metal prices, financial risks and substantial capital requirements. Further information regarding certain of these risks (as well as risks relating generally to the Company's business) may be found under the headings "Risks and Uncertainties", "Forward-Looking Information" and "Financial risk factors" in the latest Company's Management's Discussion & Analysis on [www.sedar.com](http://www.sedar.com). Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive. The forward-looking statements contained in this news release are made as of the date hereof and Genius does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

The CSE has neither approved nor disapproved the contents of this press release. The CSE does not accept responsibility for the adequacy or accuracy of this release.

## **Contact Information**

- Stephane Leblanc  
President and CEO  
(418) 717-2553  
[slconcept@hotmail.com](mailto:slconcept@hotmail.com)

