



PUF Ventures Inc. Signing of Arrangement Agreement

VANCOUVER, May 24, 2018 /CNW/ - **PUF Ventures Inc.** ("**PUF**" or the "**Company**") (CSE: PUF) (Frankfurt: PU3) (OTCPK: PUFXF), announces that, further to its news release of April 4, 2018, it has entered into an arrangement agreement (the "**Arrangement Agreement**") dated May 18, 2018 with its subsidiary Natures Hemp Corp. ("**Natures Hemp**") whereby the Company will transfer the assets (the "**Assets**"), being the business of development of cannabidiol extraction from seeds and other plant parts for the creation of high quality oils and flours, proprietary hemp base food and medicinal products into Natures Hemp by way of a plan of arrangement (the "**Arrangement**") pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia), and Natures Hemp will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario upon completion of the Arrangement.

The purpose of the Arrangement is to allow the Company to divest itself of the Assets to Natures Hemp, enabling the Company to focus on the cultivation and future sales of cannabis with both THC and CBD and other vertically integrated products concerning cannabis. Natures Hemp will have a diversified management team, with special focus on hemp-related products, isolate extractions and related nutraceutical and medicinal products.

The Arrangement will be subject to the approval of the Supreme Court of British Columbia, as well as approval by the PUF shareholders at a special meeting to be held on Tuesday, August 7, 2018 (the "**Meeting**"). Pursuant to the Arrangement, PUF will distribute 17,500,000 (100%) of the common shares of Natures Hemp (the "**Natures Hemp Shares**") it receives to the PUF shareholders on a pro rata basis. The PUF shareholders will be entitled to receive one Natures Hemp Share in exchange for approximately every four (4) common shares of PUF held as at June 18, 2018 (the "**Record Date**"). There will be no change in shareholders' holdings in PUF as a result of the Arrangement. No outstanding warrants or options of PUF will be transferred over to Natures Hemp.

Following completion of the Arrangement, (i) Natures Hemp will hold the Assets transferred to it by PUF, (ii) Natures Hemp will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, intends to apply for listing on the Canadian Securities Exchange (the "**Exchange**"), and must meet the listing requirements of the Exchange. (iii) each PUF shareholder will continue to be a PUF shareholder, (iv) all the PUF shareholders will have become shareholders of Natures Hemp, and (v) PUF will retain its working capital for its Assets, and remain listed on the Canadian Securities Exchange and will continue to trade under the trading symbol, PUF, as a consumer products – biotechnology/pharmaceuticals company.

Details of the proposed Arrangement will be provided in a Management Information Circular that will be mailed to all the PUF shareholders as at the Record Date. At the Meeting, the PUF shareholders will be asked to vote on a special resolution approving the Arrangement. The PUF shareholders of record as at the Record Date will be eligible to vote on the Arrangement. The Arrangement will be posted on SEDAR under the profile of PUF.

The effective date of the Arrangement is expected to be in September 2018. A further press release will be issued by the Company with additional details regarding the Arrangement and when the exact effective date is known.

Additionally, Natures Hemp is in the process of raising funds by way of special warrant financings. It is expected that the special warrants will be converted into shares of Natures Hemp after the Meeting.

About PUF Ventures Inc.

PUF Ventures Inc. is a growth oriented and diversified company focused on the international cannabis industry. It has ownership in several cannabis companies: AAA Heidelberg, Solaris Nutraceuticals Pty Ltd., and Natures Hemp Corp., and is actively pursuing other opportunities within the industry. PUF has an option to purchase 100% of AAA Heidelberg Inc., a private Ontario company and advanced applicant for an ACMPR license. Solaris Nutraceuticals is building the largest medical cannabis greenhouse in the Southern Hemisphere. For more information please visit: www.puf.ca.

ON BEHALF OF THE BOARD OF DIRECTORS

Derek Ivany President & CEO

No stock exchange or securities regulatory authority has reviewed or accepted responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in PUF's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should, aware" and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including statements related to PUF's transactions and business related to cannabis and future news releases.

Although PUF has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited operating history or when very limited due diligence was performed or may be engaged in activities currently considered illegal under US Federal laws; change in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry; and regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. PUF disclaims any intention or obligation to update or revise such information, except as required by applicable law, and PUF does not assume any liability for disclosure relating to any other company mentioned herein.

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