



- NEWS RELEASE -

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## **Digicann Ventures Signs Definitive Agreement for Proposed RTO Transaction with 3Win Corp.**

**Vancouver, British Columbia / September 28, 2024 (Globe Newswire) – Digicann Ventures Ltd. (“Digicann” or the “Company”)** (CSE: DCNN) (OTCPK: AGFAF), a company focused on opportunities within and outside of the cannabis industry, announces that, further to its news release dated August 2, 2024, it has signed a definitive Business Combination Agreement (the "**Agreement**") dated September 28, 2024 with 3Win Corp. ("**3Win**") in respect of a transaction that would result in the reverse take-over (the "**RTO**") of Digicann by 3Win (the "**Proposed Transaction**") to ultimately form the resulting issuer (the "**Resulting Issuer**"). If completed, it is expected that the Proposed Transaction will constitute a "fundamental change" pursuant to the policies of the Canadian Securities Exchange (the "**Exchange**") and is expected to require the approval of Digicann shareholders. It will also be a non-arm's length transaction and therefore subject to the necessary regulatory approvals, including final acceptance from the Exchange. All currency references herein are in Canadian currency unless otherwise specified.

### **The Business Combination**

The Proposed Transaction is planned to be completed by way of a three-cornered merger pursuant to which, a wholly owned subsidiary of the Company incorporated in Nevada will merge with 3Win and 3Win will become a wholly owned subsidiary of Digicann under the laws of the State of Nevada. No finder's fee of any kind shall be paid as a direct result of, or in association with, the Proposed Transaction. Following completion of the Proposed Transaction, the Resulting Issuer will carry on the business currently carried on by 3Win. However, should 3Win not complete the Proposed Transaction, then Digicann shall receive a variable cash exit fee, equal to the expenses incurred in connection with the Proposed Transaction by Digicann from August 1, 2024 until the date that the exit fee is triggered, pursuant to the terms of the Agreement.

Founded in 2015, 3Win is a global wholesale distributor of high-quality, research-backed CCELL® vape products to the cannabis and hemp industries. In addition, 3Win provides customers with stateside

customization services and packaging. 3Win's wholly owned subsidiary, 3Win Holdings (Canada) Corp. ("**3Win Canada**"), is one of the world's first multi-disciplinary controlled substances companies. 3WIN Canada is a licensed cultivator and exporter of bulk cannabis and genetics to various countries around the world. Conscious Compounds Inc., a wholly owned subsidiary, has been granted a Controlled Substance Dealer's License by Health Canada, which permits it to possess, produce, sell, transport, import, export and deliver psilocybin and psilocin in adherence to a series of Canadian government regulations. 3Win Canada operates through the following subsidiaries: Big League Cultivation Inc., Big League Genetics Inc., Conscious Compounds Inc., My Fungi Inc., Serenus Therapeutics Inc., and Sterilized Substrates Inc.

Mr. Nicholas Kuzyk, who is currently the Chief Executive Officer, a Director and a shareholder of Digicann, is also currently the Chief Strategy Officer, a Director and a shareholder of 3Win. Therefore, the Proposed Transaction, if completed, will be a related-party transaction pursuant to Multilateral Instrument 61-101- *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). A fairness opinion is expected to be sought in connection with the Proposed Transaction.

A sub-committee of Digicann's board of directors (excluding Mr. Kuzyk) determined that the Agreement, including the transactions and other steps contemplated thereunder, is fair to holders of Digicann securities and is in the best interests of the Company. Accordingly, Digicann's board of directors approved the Agreement and recommends that holders vote their shares in favour of the Proposed Transaction.

### **Shareholder Meetings and Record Date**

Digicann and 3Win have each called special shareholder meetings to consider the Proposed Transaction and related matters on November 7, 2024. The Company has set October 8, 2024 as the record date for shareholders entitled to vote at the Company's shareholder meeting. Accordingly, Digicann intends to mail a management information circular to its shareholders in October of 2024.

To be effective, the Proposed Transaction will require the following approvals from shareholders of the Company and 3Win: (i) at least two-thirds (66 2/3%) of the votes cast by shareholders of the Company present in person or represented by proxy and entitled to vote at the Company's shareholder meeting, (ii) a simple majority (>50%) of the votes cast by shareholders of the Company present in person or represented by proxy and entitled to vote at the Company's shareholder meeting excluding Digicann Shares (as defined below) held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101, and [(iii) at least two-thirds (66 2/3%) of the votes cast by shareholders of 3Win present in person or represented by proxy and entitled to vote at 3Win's shareholder meeting.

### **Summary of the Resulting Issuer's Proposed Directors & Officers**

In conjunction with and upon closing of the Proposed Transaction, the board of directors of the Resulting Issuer is expected to consist of the following directors, listed in alphabetical order:

- Mr. Frederic J. Buonincontri (Independent),
- Mr. Rodney Hu (Independent Chairperson),
- Mr. Nicholas Kuzyk
- Ms. Julie Kiley (Independent), and
- Mr. Christopher J. Sinacori.

These directors shall hold office until the first annual meeting of the shareholders of the Resulting Issuer following closing, or until their successors are duly appointed or elected.

The first officers of the Resulting Issuer are expected to be:

- Mr. Nicholas Kuzyk (Chief Executive Officer),
- Mr. Kevin Cornish (Chief Financial Officer), and
- such other officers as determined and appointed by the Resulting Issuer.

### **Name Change**

In connection with the Proposed Transaction, subject to receipt of applicable approvals, 3Win expects to effect a name change to “Serewin Corp.” with the symbol “SRWN”, if available.

### **Share Consolidation**

Pursuant to the terms of the Agreement, the holders of Digicann’s issued and outstanding common shares (the “**Digicann Shares**”) shall receive a deemed value of \$0.05 per pre-Consolidation (as hereinafter defined) Digicann Share. There are currently 22,055,294 Digicann Shares issued and outstanding.

Prior to the closing of the Proposed Transaction, Digicann will consolidate its Digicann Shares on the basis of one (1) post-Consolidation Digicann Share for each ninety-eight (98) pre-Consolidation Digicann Shares (the “**Consolidation**”), such that, prior to closing of the Proposed Transaction, Digicann will have approximately 225,054 Digicann Shares issued and outstanding on a non-diluted basis. No fractional Digicann Shares shall be issued as part of the Consolidation.

Post-Consolidation, Digicann Shares shall be issued to resolve various liabilities owed to the holders of the Company’s convertible debentures and to the officers of the Company. The independent directors of the board shall also be in receipt of Digicann Shares. Accordingly, there are expected to be approximately 549,976 Digicann Shares issued and outstanding on a post-Consolidation and post-settlement of liabilities basis.

### **Pro-Forma Capitalization**

Upon completion of the Consolidation, and pursuant to the terms of the Agreement, the issued and outstanding shares of 3Win (“**3Win Shares**”) shall be exchanged on a one-for-one basis for Digicann Shares (the “**Exchange Ratio**”). The resulting holders of 3Win Shares shall hold approximately 97.3% of the issued and outstanding common shares of the Resulting Issuer, subject to the non-issuance of fractional Digicann Shares, any additional amounts invested by third parties into 3Win, and other 3Win Share-related adjustments under certain circumstances.

Additionally, it is anticipated that all securities convertible, exercisable or exchangeable for 3Win Shares will be converted or exchanged (or otherwise become convertible or exercisable in accordance with their terms) into similar securities of the Resulting Issuer on substantially similar terms and conditions based on the Exchange Ratio.

In connection with the Proposed Transaction, it is anticipated that all outstanding stock options and common share purchase warrants of Digicann will remain in effect on substantially the same terms, subject to customary anti-dilution adjustments in accordance with the terms thereof.

### **Conditions & Cautions**

Completion of the Proposed Transaction is subject to a number of conditions precedent, including but not limited to, Digicann having a minimum amount of cash at closing of the Proposed Transaction, as well as receipt of all required shareholder, regulatory, and other approvals. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

None of the Digicann Shares to be issued in connection with the Proposed Transaction have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws, and may not be offered or sold within the United States or to any U.S. Person (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities of Digicann in any jurisdiction where such offer or solicitation would be unlawful, including the United States.

Investors are cautioned that, except as disclosed in the information circular or listing statement to be prepared in connection with the Proposed Transaction, as applicable, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The Proposed Transaction and listing of the Resulting Issuer is subject to review by the Exchange and conditional approval has not yet been granted. Neither the Exchange nor the Market Regulator (as that term is defined in the policies of the Exchange) has in any way passed upon the merits of the Agreement, RTO or Proposed Transaction and neither of the foregoing entities accepts responsibility for the adequacy or accuracy of this news release or has in any way approved or disapproved of the contents of this news release.

### **About 3Win Corp.**

3WIN Corp. ("**3Win**") is a global wholesale distributor of high-quality, research-backed CCELL® vape products to the cannabis and hemp industry. CCELL® products are made by the leading vape hardware manufacture, Shenzhen Smoore Technology, Limited, and feature patented ceramic heating elements. In addition to CCELL® products, 3Win provides customers with stateside customization services and packaging to help brands stand out in the crowded marketplace. Visit [www.3wincorp.com](http://www.3wincorp.com) for more information.

3Win's wholly owned subsidiary, 3Win Canada, which was formed upon the acquisition of Serenus Global Inc., is one of the world's first multi-disciplinary controlled substances companies. 3Win Canada is a licensed cultivator and exporter of bulk cannabis and genetics to various countries around the world. Conscious Compounds Inc., a wholly owned subsidiary, has been granted a Controlled Substance Dealer's License by Health Canada, which permits it to possess, produce, sell, transport, import, export and deliver psilocybin and psilocin in adherence to a series of Canadian government regulations. 3Win Canada operates through the following subsidiaries: Big League Cultivation Inc., Big League Genetics Inc., Conscious Compounds Inc., My Fungi Inc., Serenus Therapeutics Inc., and Sterilized Substrates Inc. Visit <https://serenusglobal.com> for more information.

For further information contact:

3Win Corp.  
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### **About Digicann Ventures Inc.**

Digicann Ventures Inc. is a company focused on opportunities within and outside of the cannabis industry. For more information about Digicann Ventures Inc. please visit [www.digicann.io](http://www.digicann.io) and its profile page on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

## **ON BEHALF OF THE BOARD OF DIRECTORS**

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The CSE and Information Service Provider have not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

### **Forward-looking Information Cautionary Statement**

Except for statements of historic fact this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan” “expect” “project” “intend” “believe” “anticipate” “estimate” and other similar words or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward- looking statements including but not limited to delays or uncertainties with regulatory approvals including that of the CSE, shareholder approvals and other uncertainties inherent to a transaction of the nature of the Proposed Transaction. There are uncertainties inherent in forward-looking information including factors beyond the Company’s control. There are no assurances that the business plans for Digicann Ventures Inc. described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company’s filings with Canadian securities regulators which are available at [www.sedarplus.ca](http://www.sedarplus.ca) .

**SOURCE: Digicann Ventures Inc.**