



EMPOWER  
CLINICS

# Empower Clinics Provides Corporate Update and Announces New Chief Financial Officer

***/NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES/***

VANCOUVER, March 13, 2019 /CNW/ - **EMPOWER CLINICS INC.** (CSE: EPW) (Frankfurt 8EC) ("**Empower**" or the "**Company**"), a growth oriented and diversified medical cannabis company, is pleased to provide an update on recent corporate activities after announcing proposed acquisitions and partnerships intended to re-shape the profile of the Company going forward.

The Company has reached a number of important milestones over the past eight weeks as it continues its path forward, striving to become a global health and wellness company, serving the needs of patients through its network of physician-staffed health and pain management clinics and CBD extraction operations.

## HIGHLIGHTS

- **Intention to Launch CBD Extraction Facility** The Company intends to open a fully functioning hemp-based CBD extraction facility in greater Portland, Oregon in Q2 2019, with the first extraction system expected to have the capacity to produce 6,000 kilograms of extracted product per year. Empower has entered into a non-binding term sheet with Aibeida LifeTech Ltd. ("**Aibeida**"), whereby Aibeida has agreed to: sell and license specialized extraction equipment to Empower; provide facility build-out and set-up services; complete licensing and permitting requirements; perform equipment set-up, testing and activation; and provide ongoing facility management and maintenance for the first Empower CBD extraction facility. Aibeida's director and Chief Scientist, Dr. Shuang Xie, PhD, will oversee and manage the Empower CBD extraction facility, which is expected to provide Empower with vertical integration into the CBD supply chain, producing isolates, distillates and crude oil that have shown successful third party test results in Aibeida's initial test facility.
- **Proposed Acquisition of Sun Valley Clinics** Empower has entered into a non-binding term sheet to acquire the business of Sun Valley Certification Clinics Holdings LLC ("**Sun Valley**"), including its interests in certain affiliates, by way of a share or asset acquisition, subject to due diligence and customary closing conditions. Sun Valley operates a network of professional medical cannabis and pain management practices, with five clinics in Arizona, one clinic in Las Vegas, a tele-medicine platform serving California, and a fully developed franchise business model for the domestic cannabis industry. The current Sun Valley clinic locations are as follows:

4218 W Dunlap Ave, Phoenix, AZ  
12801 W Bell Rd #145, Surprise, AZ  
4015 E Bell Rd #130, Phoenix, AZ  
2011 E University Dr, Mesa, AZ  
7074 E Speedway Blvd, Tucson, AZ  
2550 S Rainbow Blvd, Las Vegas, NV

- **Focus on CBD Product Sales** Empower has commenced selling its proprietary line of CBD-based products called SOLLIEVO, through its network of company-owned clinics in the United

States. Empower's patient base and customers are expected to benefit from access to high margin derivative products, including CBD lotion, tinctures, spectrum oils, capsules, lozenges, patches, e-drinks, topical lotions, gel caps, hemp extract drops and pet elixir hemp extract drops. Patients and customers will be able to access Empower's home delivery and e-commerce platform.

- **CBD Market Demand** The passing in the United States of the US\$867 billion *Agriculture Improvement Act* (the "**Farm Bill**") has legalized hemp and hemp-based products. This has created an opportunity for the production and sale of a variety of CBD-based products that can provide genuine help and effective relief to millions of people suffering from a variety of qualifying conditions. Recent reports and studies indicate the approval of the Farm Bill could create a US\$20 billion industry by 2022.
- **Increased Patient Access** With a rapidly expanding company-owned clinic network and significant expansion opportunity assuming the successful acquisition of the Sun Valley franchise model, Empower anticipates it will grow its total patient list substantially in the years ahead. This is expected to provide greater opportunity for treatment analysis using artificial intelligence (AI).
- **Market Leading Technology** Empower utilizes a market-leading patient electronic management and POS system that is HIPAA compliant and provides insight to patient care. The Company supports remote patients using its tele-medicine portal, enabling patients who are unable to come to a location to benefit from a doctor consultation.

"We have made considerable progress over the past eight weeks as we work to diversify and expand the Company's profile," said Steven McAuley, CEO of Empower. "We continue to move aggressively toward establishing a diversified and vertically integrated CBD-focused company that has an expanding network of physician-staffed medical clinics offering support to our many thousands of patients. I would like to thank the existing team, our board, advisors and shareholders for all their support during this transition phase."

#### *Appointment of New Chief Financial Officer*

The Company is also pleased to announce the appointment of Mr. Mathew Lee as Chief Financial Officer ("**CFO**") of the Company, effective as of March 11, 2019. Mr. Lee is a Chartered Professional Accountant with a Bachelor of Commerce Degree from the University of British Columbia and is a member of the Chartered Professional Accountants of British Columbia. He brings a breadth of financial experience in both public and private company operations across various sectors, including mineral resources, cannabis and financial services.

Along with the appointment of Mr. Lee, Empower has engaged Invictus Accounting Group LLP ("**Invictus**") to support its public financial reporting and compliance needs. Invictus is a Vancouver, B.C. based advisory firm with expertise in accounting services, corporate finance, controllership, due diligence, ERP, financial reporting, internal controls compliance and tax compliance.

"We are very pleased to have Mathew Lee join our leadership team and to bring aboard the diversified financial and accounting support of Invictus," said Mr. McAuley.

#### **ABOUT EMPOWER**

Empower is a leading owner/operator of a network of physician-staffed clinics focused on helping patients improve and protect their health through innovative uses of medical cannabis. It is expected that Empower's proprietary product line "Sollievo" will offer patients a variety of delivery methods of doctor recommended cannabidiol (CBD) based product options in its clinics, online and at major retailers. With over 120,000 patients, an expanding clinic footprint, a focus on new technologies,

including tele-medicine, and an expanded product development strategy, Empower is undertaking new growth initiatives to be positioned as a vertically integrated, diverse, market-leading service provider for complex patient requirements in 2019 and beyond.

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

Steven McAuley  
Chief Executive Officer

### *DISCLAIMER FOR FORWARD-LOOKING STATEMENTS*

*This news release contains certain "forward-looking statements" or "forward-looking information" (collectively "forward looking statements") within the meaning of applicable Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Forward-looking statements can frequently be identified by words such as "plans", "continues", "expects", "projects", "intends", "believes", "anticipates", "estimates", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include statements regarding: the proposed acquisition of Sun Valley; the Company's intention to open a hemp-based CBD extraction facility, the expected benefits to the Company and its shareholders as a result of the proposed acquisitions and partnerships; the terms of the proposed acquisitions and partnerships; the expected location of the proposed CBD extraction facility; the effectiveness of the extraction technology; the size of the leased facility; the expected benefits for Empower's patient base and customers; access to Empower's home delivery and e-commerce platform; the benefits of CBD based products; the effect of the approval of the Farm Bill; the growth of the Company's patient list and that the Company will be positioned to be a market-leading service provider for complex patient requirements in 2019 and beyond. Such statements are only projections, are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including that: the proposed acquisitions and partnerships, including the Sun Valley and Aibeida transactions, may not be completed on the terms expected or at all; that the Company may not open a hemp-based CBD extraction facility; that the hemp-based CBD extraction facility may not be fully operation by Q2 2019 if at all; that legislative changes may have an adverse effect on the Company's business and product development; that the Company may not be able to obtain adequate financing to pursue its business plan; general business, economic, competitive, political and social uncertainties; failure to obtain any necessary approvals in connection with the proposed acquisitions and partnerships; and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable laws.*

SOURCE Empower Clinics Inc.

View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/March2019/13/c6237.html>

%SEDAR: 00023317E

**For further information:** Investors: Steve Low, Boom Capital Markets, steve@boomcapitalmarkets.com, 647-620-5101; Investors: Steven McAuley, CEO, s.mcauley@empowerclinics.com, 604-789-2146

CO: Empower Clinics Inc.

CNW 03:15e 13-MAR-19