



## Pure Extracts Enters Agreement to Acquire PL Healthcare Management

**Vancouver, B.C., May 25, 2023 – Pure Extracts Technologies Corp. (CSE: PULL) (OTC: PRXTF) (XFRA: A2QJAJ) (“Pure Extracts” or the “Company”),** a plant-based extraction company focused on cannabis, hemp and functional mushrooms, is pleased to announce that it has entered into a definitive business combination agreement dated May 1, 2023 (the **“Definitive Agreement”**) with PL Healthcare Management Ltd. (**“PLM”**) and 1411062 B.C. Ltd. (**“Subco”**), a wholly-owned subsidiary of the Company, pursuant to which the Company will acquire all of the issued and outstanding shares of PLM (the **“Transaction”**).

In accordance with the terms and conditions of the Definitive Agreement, the Transaction will be completed by way of a three-cornered amalgamation, whereby, among other things: (a) Subco will amalgamate (the **“Amalgamation”**) with PLM to form an amalgamated company (**“Amalco”**); (b) each issued and outstanding common share of PLM (of which there are currently 35,301,154) will be exchanged for five (5) common shares of the Company (**“Common Shares”**); and (c) Amalco will become a wholly-owned subsidiary of the Company. In advance of closing of the Transaction, Pure will carry out a consolidation of its Common Shares on a 10:1 basis (the **“Consolidation”**), such that, upon the completion of the Transaction, it is expected that existing shareholders of the Company will collectively hold approximately 6.2% of the Common Shares and that former shareholders of PLM will collectively hold approximately 93.8% of the Common Shares.

PLM, an arm’s length party to the Company, is a healthcare case management business focused on helping Canadians with health-service case management and related therapies, among other things. Following the completion of the Transaction, the Company plans to utilize cannabis biomass produced by PLM’s micro-cultivator and supply its extracted cannabis products to PLM’s clients thereby preserving the entire retail sales margin within the Pure Extracts-PLM group of companies. Additionally, Pure Extracts plans to add to its current 47 SKUs by selecting and manufacturing the most beneficial cannabis products from its over 30 proprietary formulations for PLM’s clients, addressing such urgent conditions such as PTSD, anxiety and depression.

“The PLM team is looking forward to working with Pure Extracts toward strategic development of their business lines and create increasing value for shareholders of both companies,” said Shaun Good, the Chief Executive Officer of PLM.

Ben Nikolaevsky, the Chief Executive Officer and a director of the Company, commented “The combination of the two organizations allows for a synergistic portfolio of products and our ability to reach new segments in the rapidly expanding segment of healthcare and cannabis.”

Subject to their prior resignation in connection with the Bridge Financing (as defined below), following the completion of the Transaction, and in accordance with the terms of the Definitive Agreement, Ben Nikolaevsky will step down as Chief Executive Officer and a director of the Company and Yana Popova, Sean Bromley and Dwight Duncan will resign from the board of directors of the Company. Shaun Good will be appointed as Chief Executive Officer and a director of the Company and Gerry Abday will be appointed as President and a director of the Company.

The Company also announces a proposed bridge financing (the “**Bridge Financing**”) pursuant to which PLM would advance funds to the Company prior to the completion of the Transaction. The proceeds of the Bridge Financing would be used to permit the Company to execute larger volumes of purchase orders. If completed, a condition of the first advance under the Bridge Financing would be the resignation of up to three (3) existing directors of the Company and their concurrent replacement with three (3) nominees of PLM. It is anticipated that the first advance under the Bridge Financing would be made on or about May 31, 2023.

Shaun Good has a diverse background in various industries and has demonstrated his leadership and entrepreneurial spirit throughout his career. After founding a successful construction company, he transitioned into a career with a major financial company. Responding to his clients' growing interest in investment opportunities, Shaun entered the cannabis industry in 2017. As the founder of four companies in BC, one of which focuses on the research and development of cannabis cultivars and terpenoids for the medical industry, Shaun demonstrates his relentless pursuit of innovation and commitment to helping others succeed.

Gerry Abday is a highly accomplished executive with a wealth of experience in the health management and business sectors. As the President of PLM, he has successfully positioned PLM as a leader in the industry by leveraging his keen understanding of market trends and client needs. Gerry's visionary approach to leadership and dedication to excellence has been instrumental in driving the growth and success of PLM. Before taking the helm at PLM, Gerry founded QSD Custom Manufacturing Inc., a thriving business that has generated millions in revenue and served hundreds of clients across North America. Gerry's leadership skills, combined with his passion for improving the lives of others, make him an exceptional figure in both the business world and the wider community. With his vast experience, innovative mindset, and philanthropic spirit, Gerry continues to be a driving force in the pursuit of excellence and positive change.

The Transaction will constitute a Fundamental Change of the Company, as such term is defined in the policies of the Canadian Securities Exchange, and completion thereof will be subject to a number of customary conditions precedent, including receipt of required regulatory approvals, approval of the shareholders of the Company, PLM and Subco to the Amalgamation, completion of the Consolidation and the Board Changes.

Trading in the Common Shares has been halted, and will remain halted, pending review and approval of the Transaction by the Canadian Securities Exchange.

#### **About Pure Extracts Technologies Corp. (CSE: PULL) (OTC: PRXTF) (XFRA: A2QJAJ)**

Pure Extracts features an all-new, state-of-the-art processing facility located just 20 minutes north of world-famous Whistler, British Columbia. The bespoke facility has been constructed to European Union GMP standards aiming towards export sales of products and formulations, including those currently

restricted in Canada, into European jurisdictions where they are legally available. Pure Extracts was granted its Standard Processing License by Health Canada under the Cannabis Act on September 25, 2020, and its Sales Amendment on July 19, 2021. The Company's stock began trading on the Canadian Securities Exchange (CSE) on November 5, 2020

Find out more at <https://pureextractscorp.com/>

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**ON BEHALF OF THE BOARD**

*"Ben Nikolaevsky"*

Ben Nikolaevsky

CEO and Director

This news release contains forward-looking statements relating to the future operations of Pure Extracts, and the other statements are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements relating to the Transaction, including statements respecting: the Amalgamation; the timing and potential completion of the Transaction; satisfaction of the conditions precedent to closing of the Transaction; the Consolidation and the expectations of management of the PLM brand; the Company's business and strategic plans; and Bridge Financing by PLM to the Company and the use of such funding, are forward-looking statements and involve risks and uncertainties. A number of factors could cause actual events, performance or results to differ materially from what is projected in forward looking statements. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors" in the Company's Annual Information Form. The Company does not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws.

**The Canadian Securities Exchange has neither approved nor disapproved the contents of this press release.**