# WESTRIDGE RESOURCES INC. Suite 1518 – 800 West Pender Street Vancouver, British Columbia V6C 2V6

# WESTRIDGE ANNOUNCES SIGNING OF DEFINITIVE AGREEMENT WITH HARRYS INTERNATIONAL MANUFACTURING INC.

**CSE: WST** 

Vancouver, British Columbia – January 22, 2018 – Westridge Resources Inc. ("Westridge" or the "Company") is pleased to announce that further to its news release dated December 22, 2017 the Company has entered into a definitive share exchange agreement (the "Share Exchange Agreement") effective January 22, 2018, pursuant to which the Company will acquire all of the issued and outstanding common shares of Harrys International Manufacturing Inc. ("HIMI"), a company incorporated under the laws of British Columbia that operates in the tobacco industry (the "Acquisition"), from the shareholders of HIMI (the "HIMI Shareholders").

The HIMI Shareholders will receive 28,500,100 common shares in the capital of the Company (the "Westridge Shares") at a deemed price of \$0.35 per Westridge Share on a pro-rata basis. In exchange for the Westridge Shares, the Company will receive 100% of the issued and outstanding common shares in HIMI (the "HIMI Shares"). Subject to the fulfillment of the conditions precedent of the Share Exchange Agreement, and approval of the Canadian Securities Exchange (the "CSE"), the Acquisition is expected to close on or before April 27, 2018, or such date as the Company and HIMI may agree.

The Acquisition is expected to constitute a "Fundamental Change" as that term is defined in the policies of the CSE. Upon successful completion of the Acquisition, it is anticipated that the Company will retain its listing on the Exchange as a producer of Tobacco products.

## Harrys International Manufacturing Inc.

Harrys International Manufacturing Inc. is currently generating revenues from the distribution of cigarettes to international customers. Concurrently, the Company is in the process of designing a 6,000 ft<sup>2</sup> manufacturing facility in British Columbia. HIMI plans to manufacture white label and generic tobacco cigarettes for sale and distribution primarily to international markets. During this process HIMI will continue to export cigarettes to its existing customers, as it works towards obtaining receipt of all appropriate licenses and permits to expand production capacity in British Columbia. The management team of HIMI brings over 50 years of combined experience in the domestic and international tobacco industry. Harrys management team will leverage this experience and knowledge as it works towards obtaining the necessary federal and provincial license and permits to begin manufacturing tobacco cigarettes at its new location in British Columbia.

#### The Acquisition

The Share Exchange Agreement also contemplates material conditions precedent to closing of the Acquisition (the "Closing"), including receipt of shareholder approval from a majority of the minority shareholders of the Company, receipt of all necessary regulatory, corporate and third party approvals, compliance with all applicable regulatory requirements, and all requisite board and shareholder approvals being obtained.

LOI sets out certain terms and conditions pursuant to which the proposed Acquisition will be completed. The Acquisition is subject to the parties successfully entering into a definitive business combination agreement (the "**Definitive Agreement**") in respect of the Acquisition on or before February 28, 2018, or

such other date as the parties may mutually agree. In particular, it is a condition of Closing that the Company receive conditional approval of the listing of the Westridge Shares on the CSE from the CSE.

Certain of the Westridge Shares issuable pursuant to the Acquisition may be subject to escrow requirements pursuant to CSE policy and hold periods as required by applicable securities laws.

#### **Current Share Structure**

The Company currently has 46,727,258 common shares issued and outstanding and nil preferred shares issued and outstanding.

HIMI currently has 28,500,100 common shares issued and outstanding and nil preferred shares issued and outstanding.

# **Board of Directors**

In connection with the Acquisition, it is anticipated that the current CEO and President of the Company, Michael Young will resign and be replaced by Kevin Kohanik. The Company's CFO, Chris Cooper will resign and be replaced by Michael Young, the Company's former CEO. The board of directors of Westridge will be increased to five members. Upon Closing William Radvak will resign from his role as director and Kevin Kohanik and Harry Dhesi will be added to the board of directors. The board of directors of Westridge will be comprised of Michael Young, Chris Cooper, Henry Chow, Kevin Kohanik, and Harry Dhesi.

#### Kevin Kohanik (President of HIMI) - CEO, President & Director

Kevin brings over seven years of experience in the tobacco industry, having served as the President and Director of Operations of Harrys Tobacco since its formation in 2010. Over the past seven years, Harrys Tobacco has grown production to over 60,000 cases of cigarettes and revenues of approximately \$8.0 million (2016). Harrys Tobacco has its head office in Canada, but manufactures its cigarettes in Dubai and distributes throughout the UAE, Vietnam, Turkey, Costa Rica and several African nations.

#### Harry Dhesi - VP Corporate Development & Director

Harry is a serial entrepreneur who brings to the Company extensive experience in building and selling successful businesses. He is also one of the founders of Harrys Tobacco, where he assisted Harrys Tobacco in building distribution in the UAE through his personal and business connections.

#### Disclosure and Caution

Further details about the proposed Acquisition will be provided in the disclosure document to be prepared and filed in respect of the Acquisition. Investors are cautioned that, except as disclosed in the disclosure document, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon.

All information provided in this press release relating to HIMI has been provided by management of HIMI and has not been independently verified by management of the Company.

For further information on Westridge Resources Inc. please contact the Company at 604-565-5100

## ON BEHALF OF THE BOARD

"Michael Young"

# Michael Young President and CEO

The CSE has neither approved nor disapproved the information contained herein.

This news release contains forward-looking statements. The Company has provided the forward-looking statements in reliance on assumptions that it believes are reasonable at this time. The reader is cautioned that the assumptions used in the preparation of the forward-looking statements may prove to be incorrect. All such forward-looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. Such risks and uncertainties include, without limitation, delays resulting from or inability to obtain required regulatory approval. The actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits, including the amount of proceeds, the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive.