

# **VEXT Science Closes a US\$5.5 Million 10%, Secured Non-Convertible Debenture**

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VANCOUVER, Jan. 8, 2020 /CNW/ - VEXT Science, Inc. (CSE: VEXT) ("VEXT") is pleased to announce the closing for US\$5.5 million of debenture units, consisting of two non-US investors, one for US\$5 million, and one for US\$0.5 million, principal amount of secured non-convertible debentures and 891,100 and 89,110 share purchase warrants, respectively, exercisable at a price of CDN\$1.00 per share, which is currently at a premium to recent trading on the Canadian Securities Exchange. The net proceeds of the debenture financing will be primarily used for joint venture partnership working capital and equipment.

Bob Brilon, president and CFO, commented, "We are excited to receive these funds on these terms and this growth capital for 2020 helps us on our journey to build a world class international operation that is partnering with licensed Cannabis operators and Hemp producers to extract and sell the highest quality products on a consistent basis."

## **The Offering**

On December 31, 2019, VEXT closed the sale of US\$5.5 million debentures by way of a non-brokered offering (the "Offering") of debenture units ("Units"). Each Unit consists of: (i) US\$1,000 principal amount of 10.0% secured non-convertible debentures (the "Debentures"); and (ii) 178.22 share purchase warrants (the "Warrants"). The Debentures will accrue interest at the rate of 10.0% per annum, payable quarterly beginning July 1, 2020 and mature December 31, 2021. The Debentures will be secured by a security interest in all of VEXT's assets. Each whole Warrant is exercisable for one common share in the capital of VEXT (each, a "Common Share") at an exercise price of CDN\$1.00 per Common Share for two years from the date of issuance, subject to VEXT's right to accelerate the expiry of the Warrants if the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange is greater than CDN\$3.35 for the any five 5 consecutive trading days. The subscribed US\$5.5 million principal amount of Debentures includes an aggregate of 980,210 Warrants.

This initial closing of the Offering occurred on December 31, 2019. The Offering allows for additional subscribers on the same terms and conditions. All securities issued under the Offering and any Common Shares issued upon exercise of the Warrants will be subject to a statutory hold period in Canada of four months and one day following the closing date in accordance with applicable securities laws. Additional resale restriction may be applicable under the laws of other jurisdictions, if any.

## **100% of CND\$0.25 Warrants Exercised**

VEXT had 3,000,000 warrants issued in December 2018 at CND\$0.25 which had one-year expiration dates of December 17 and December 24, 2019. From July 2019 to December 17, 2019 all of the warrants have been exercised. An additional 2,000,000 warrants issued December 2018 at a CND\$1.00 exercise price expired on December 31, 2019.

## **About Vext Science**

Vext Science, Inc. is a US-based Cannabis THC and Hemp cannabinoid products company manufacturing THC cartridges, concentrates, edibles and accessories under the Vapen™ Brand, and Hemp based products under the Pure Touch Botanicals brand as well as the Vapen CBD brand.

Based in Arizona, Vext Science, Inc. has one of the leading THC concentrates, edibles, and distillate cartridge brands sold in the majority of the state's 100+ dispensaries. Herbal Wellness Center is one of Arizona's leading dispensaries and we execute all aspects of the cultivation, extraction, edibles infusion and manufacturing processes which insures a product of the highest quality and purity. Product quality and purity are core to our marketing strategy. Vext Science, Inc. is executing its business growth by leveraging experience and expertise in extractions, product manufacturing, and marketing to expand in the U.S. and internationally through revenue and profit-sharing joint venture partnerships. For more information visit our website at [www.VextScience.com](http://www.VextScience.com).

## **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 VEXT'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," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements related to future developments and the business and operations of VEXT, the proposed terms of the Offering, the completion of the Offering, the use of proceeds from the Offering, and other statements of fact.

Although VEXT 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; being engaged in activities currently considered illegal under U.S. Federal laws; change in laws; reliance on management; requirements for additional financing; competition; hindered 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. Because 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. VEXT disclaims any intention or obligation to update or revise such information, except as required by applicable law, and VEXT does not assume any liability for disclosure relating to any other company mentioned herein.

*This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements.*

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