



VEXT Files Final Prospectus in Respect of \$18 Million Bought Deal Offering

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VANCOUVER, BC, Feb. 3, 2021 /CNW/ - Vext Science, Inc. (CSE: VEXT) (OTCQX: VEXTF) ("VEXT" or the "Company"), a vertically integrated multi-state cannabis company in the United States, today announced that it has filed a final short form prospectus (the "Prospectus"), in connection with its previously announced "bought deal" public offering (the "Offering") of units of the Company (the "Units").

Pursuant to the underwriting agreement between the Company, Beacon Securities Limited ("Beacon"), as lead underwriter and sole bookrunner, and a syndicate of underwriters including Canaccord Genuity Corp. and Eight Capital (collectively, the "Underwriters"), the Underwriters have agreed to purchase 16,100,000 Units at a price of \$1.12 per Unit (the "Offering Price") for aggregate gross proceeds of approximately \$18 million. All references to currency in this news release are to Canadian dollars.

Each Unit will consist of one common share (each, a "Subordinated Voting Share") in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant") of the Company. Each Warrant will entitle the holder thereof to purchase one Subordinated Voting Share at a price of \$1.40 for a period of 36 months from the Closing Date (as defined below), subject to the Accelerated Exercise Period (as defined below), after which time the Warrants will be void and of no value. If, at any time prior to the expiry date of the Warrants, the volume weighted average trading price of the Subordinated Voting Shares on the Canadian Securities Exchange (or such other stock exchange where the Subordinated Voting Shares are then listed) is greater than or equal to \$2.50 for a period of 20 consecutive trading days, the Company may, in its sole discretion, provide written notice to the holders of the Warrants by way of a news release advising that the Warrants will expire at 4:00 p.m. (Toronto Time) on the 30th day following the date of such notice unless exercised by the holders prior to such date (the "Accelerated Exercise Period"). The Company has applied to list the Warrants on the Canadian Securities Exchange.

The Company has granted the Underwriters an option (the "Over-Allotment Option"), exercisable, in whole or in part, by Beacon, on behalf of the Underwriters, giving notice to the Company at any time and from time to time up to 30 days following the Closing Date, to purchase, or to find substituted purchasers for, up to an additional number of Units equal to 15% of the Units sold pursuant to the Offering at the Offering Price to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option shall be exercisable to acquire Units, Subordinated Voting Shares or Warrants (or any combination thereof), at the discretion of the Underwriters.

As consideration for their services in connection with the Offering, the Underwriters will receive consideration comprised of (i) a cash fee equal to 7% of the gross proceeds of the Offering (subject to a reduced cash fee equal to 3.5% for those subscriptions identified on a president's list), including proceeds received from the exercise of the Over-Allotment Option, and (ii) share purchase warrants ("Compensation Options") to purchase up to 7% of the number of Units sold in the Offering (subject to a reduced number of Compensation Options equal to 3.5% of the Units sold to subscriptions

identified on a president's list), including any additional Units issued upon the Underwriters exercise of the Over-Allotment Option. Each Compensation Option will entitle the holder thereof to purchase one Subordinated Voting Share at the Offering Price for 36 months from the Closing Date. The Company has also agreed to pay the Underwriters a cash work fee of \$100,000 and issue to the Underwriters 90,000 transferable work fee options (the "Work Fee Options") on completion of the Offering. Each Work Fee Option will be exercisable to acquire one additional Subordinated Voting Share at the Offering Price for 36 months from the Closing Date.

Closing of the Offering is expected to occur on or about February 8, 2021 (the "Closing Date") and is subject to a number of conditions, including without limitation, receipt of all regulatory approvals. Concurrently with closing of the Offering, the Company expects to close its previously announced non-brokered private placement of up to 1,785,715 Units for aggregate gross proceeds of up to approximately \$2 million (the "**Concurrent Private Placement**"). Closing of the Concurrent Private Placement is subject to a number of conditions, including without limitation, receipt of all regulatory approvals. There can be no assurance as to whether or when the Offering or Concurrent Private Placement will be completed.

The proceeds raised from the sale of Units under the Offering and the Concurrent Private Placement are expected to be used by the Company for corporate expansion projects and general corporate purposes.

The Units, Subordinated Voting Shares and Warrants being offered have not been, nor will they be, registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as those terms are defined in Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act")) absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Units may be offered and sold in the United States to "qualified institutional buyers" (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "U.S. Securities Act")) and to "accredited investors" (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act), in each case by way of private placement pursuant to an exemption from the registration requirements of the U.S. Securities Act and pursuant to any applicable securities laws of any state of the United States. Any Units offered and sold in the United States or to, or for the account or benefit of, U.S. persons shall be issued as "restricted securities" (as defined in Rule 144(a)(3) under the U.S. Securities Act).

This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Vext Science

Vext Science, Inc. is a vertically integrated US 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 most of the state's 100+ dispensaries. Herbal Wellness Center dispensaries are among 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. Quality, accessibility and efficacy are among our most essential core values. Vext Science, Inc. continues to grow and expand throughout the U.S. and internationally, by utilizing its knowledge, experience and expertise in extractions, product manufacturing, and marketing, including through various revenue and profit-sharing joint venture partnerships. For more information visit our website at www.VextScience.com.

COVID-19 Risk Factor

VEXT may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to COVID-19. An outbreak of infectious disease, a pandemic, or a similar public health threat, such as the recent outbreak of COVID-19, or a fear of any of the foregoing, could adversely impact VEXT by causing operating, manufacturing, supply chain, and project development delays and disruptions, labor shortages, travel, and shipping disruption and shutdowns (including as a result of government regulation and prevention measures). It is unknown whether and how VEXT may be affected if such a pandemic persists for an extended period of time, including as a result of the waiver of regulatory requirements or the implementation of emergency regulations to which VEXT is subject. Although certain VEXT facilities have been deemed essential and/or have been permitted to continue operating during the pendency of the COVID-19 pandemic, there is no assurance that all of the Company's operations will be deemed essential and/or will continue to be permitted to operate. VEXT may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results, financial condition, and the trading price of the Company's Subordinated Voting Shares or any other securities of VEXT.

Forward Looking Statements

This news release contains "forward-looking statements", including with respect to the closing of the Offering, the closing of the Concurrent Private Placement and the proposed use of proceeds. Wherever possible, words such as "may", "would", "could", "should", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "potential for" and similar expressions have been used to identify these forward-looking statements. These forward-looking statements reflect the current expectations of the Company's management for future growth, results of operations, performance and business prospects and opportunities and involve significant known and unknown risks, uncertainties and assumptions, including, without limitation, those listed in the annual information form of the Company dated September 17, 2020, the Prospectus and the other filings made by the Company with the Canadian securities regulatory authorities (which may be viewed at www.sedar.com). Should one or more of these risks or uncertainties materialize or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. The Company disclaims any intention or obligation to revise forward-looking statements whether as a result of new information, future developments or otherwise, except as required by law.

The Canadian Securities Exchange has not reviewed, approved, or disapproved the content of this news release.

Eric Offenberger
Chief Executive Officer

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