

# Captiva Verde Wellness to Acquire a Professional Sports Team

## Proposed acquisition expected to expand Captiva's health and wellness platform

Coquitlam, British Columbia--(Newsfile Corp. - July 18, 2023) - **Captiva Verde Wellness Corp.** (CSE: PWR) (OTC Pink: CPWF) (the "**Company**" or "**Captiva**") is pleased to announce that it has signed a binding letter of intent (the "**Letter of Intent**") dated effective July 18, 2023, with respect to the proposed acquisition of a professional sports franchise.

### Summary of the Transaction

The Transaction, which is an arm's length transaction, is expected to close in the coming several weeks and the details of the team and vendor will be released. As consideration (the "**Consideration**") for the 100% of equity interest of, as well as assignments of the vendors' shareholder loans, Captiva will: (i) issue 60,000,000 common shares of Captiva (the "**Consideration Shares**"); and (ii) pay US\$1,500,000 cash, all on the closing of the Transaction (the "**Closing**"). The Consideration Shares will be issued at a deemed price to be determined at Closing, subject to compliance with the policies of the Canadian Securities Exchange (the "**CSE**"). Following completion of the Transaction, it is anticipated that the current shareholders of the vendor will hold approximately 17% of Captiva's common shares on a non-dilutive basis. The Consideration is subject to a post-closing working capital adjustment provision. Under this provision, the parties will adjust the purchase price to offset any increase or decrease of the net working capital as of the closing date.

**Jeff Ciachurski, CEO of Captiva states:** *"We are deeply honoured and committed to enter into an agreement to acquire a professional sports team as an addition to our infrastructure health and wellness platform. The problem has long been the general public has always had difficulty investing into fast growing newsport franchises, yet the success of a public company owning a sports franchise is well documented all having enterprise value build-ups through the democratization of investing into a sports franchise public company. This adds several years of additional growth for the Captiva Wellness shareholders."*

### About the Transaction

Captiva does not expect the Transaction to constitute a "Fundamental Change" or "Change of Business" under the policies of the CSE.

The Letter of Intent sets out certain terms and conditions pursuant to which the Transaction will be completed. The Transaction remains subject to certain closing conditions including, without limitation, (a) the completion of customary due diligence; (b) the negotiation and execution of a definitive agreement; (c) the closing of Private Placement (as hereinafter defined); and (d) the receipt of all required regulatory and third-party approvals. There can be no guarantees that the Transaction will be completed as contemplated or at all.

All Consideration Shares issued in the Transaction will be issued under prospectus exemptions pursuant to National Instrument 45-106 - *Prospectus Exemptions* of the Canadian Securities Administrators ("**NI 45-106**"). Captiva expects to issue the Consideration Shares under section 2.11 of NI 45-106 and provided that certain statutory conditions are satisfied, such shares are not expected to be subject to any resale restrictions under applicable Canadian securities laws.

In connection with the closing of the Transaction, Captiva expects to appoint a nominee of the vendor to

its board of directors and to adopt an equity compensation plan with a restricted share unit component.

There is no finder's fee payable in connection with the Transaction.

### **Update on Private Placement**

Further to the Company's news releases dated April 28, 2023 (the "**Private Placement News Releases**"), the Company expects to close its private placement (the "**Private Placement**") in the near term. As disclosed in the Private Placement News Releases, the net proceeds of the private placement are expected to be used for general working capital purposes and as a reserve for possible future acquisitions, including the Transaction.

The Private Placement is a unit offering (collectively, the "**Units**" and individually a "**Unit**"). Each Unit is priced at \$0.032 per Unit. Each Unit will consist of one common share of the Company and one common share purchase warrant (each, a "**Warrant**"), with each Warrant entitling the holder thereof to acquire one common share (a "**Warrant Share**") at a price of \$0.05 for a period of five years following the closing of the Private Placement.

The Company will increase the size of the Private Placement from 80,000,000 units to 90,000,000 units for gross proceeds of \$2,880,000.

### **On Behalf of the Board of Directors**

"Jeff Ciachurski"

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Chief Executive Officer and Director  
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***Neither Canadian Securities Exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this release.***

### **Cautionary Note Regarding Forward-Looking Information**

*This news release includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities laws and United States securities laws (together, "forward-looking statements"). All statements included in this news release, other than statements of historical fact, are forward-looking statements including, without limitation, statements with respect to the expansion of Captiva's health and wellness platform, the percentage of shares the current shareholders of the vendor will hold post-closing of the Transaction on a non-dilutive basis, the categorization of the Transaction for the purposes of CSE policies, the growth in the size of the global sports market, the resale restrictions on the Consideration Shares, the appointment to Captiva's board of directors, the adoption of an equity compensation plan with a restricted stock unit component, and the closing date of the Private Placement.*

*Forward-looking statements include predictions, projections and forecasts and are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "estimate", "expect", "potential", "target", "budget", "propose" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions and includes the negatives thereof.*

*Forward-looking statements are based on a number of assumptions and estimates that, while considered reasonable by management based on the business and markets in which the Company operates, are inherently subject to significant operational, economic, and competitive uncertainties,*

*risks and contingencies. These include assumptions regarding, among other things: general business and economic conditions. There can be no assurance that forward-looking statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include those described under the heading "Risks and Uncertainties" in the Company's most recently filed MD&A (a copy of which is available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com)). The Company does not undertake to update or revise any forward-looking statements, except in accordance with applicable law.*

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