

BlueOcean NutraSciences announces Shares for Debt Transaction

written by Raj Shah | January 26, 2018

✖ January 25, 2018 ([Source](#)) – BlueOcean NutraSciences Inc. (“BlueOcean” or the “Company”) (TSX-V: BOC) BlueOcean NutraSciences announces that BlueOcean and certain members of management have entered into an agreement to settle some of the indebtedness of the Company (the “Shares for Debt Transaction”) through conversion of such debt into common shares of the Company (the “Common Shares”). Pursuant to the Shares for Debt Transaction, the Company will issue 12,989,199 Common Shares at a price of \$0.19 per Common Share. On completion of the Shares for Debt Transaction, the Company will have 54,121,660 Common Shares issued and outstanding. BlueOcean determined to satisfy the indebtedness with Common Shares in order to preserve its cash for use on planned CO2 grow trials, commercial installations and for working capital.

BlueOcean owes each of John Archibald, the Chief Executive Officer and President of BlueOcean, Aaron Archibald, VP Operations of BlueOcean and Sam Kanesh, a director and consultant of BlueOcean (collectively, the “Management Group”), \$2,467,948 (the “Management Debt”), representing indebtedness for an outstanding bonus payment and for services previously rendered to BlueOcean in connection with the successful reactivation of the Company’s dissolved CO2 plant production business segment. As a result of the Shares for Debt Transaction, each member of the Management Group will receive 4,329,733 Common Shares.

Upon completion of the Shares for Debt Transactions, John Archibald will hold 4,579,888 Common Shares or 8.5% of the

issued and outstanding Common Shares. Aaron Archibald will hold 4,381,673 Common Shares or 8.1% of the issued and outstanding Common Shares. Sam Kanesh will hold 7,275,656 Common Shares or 13.4% of the issued and outstanding Common Shares.

As the members of the Management Group are each either a director or an officer of BlueOcean, the Shares for Debt Transaction constitutes a “related party transaction” within the meaning of TSX-V Policy 5.9 which incorporates Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Shares for Debt Transaction is exempt from the formal valuation approval requirements of MI 61-101 as none of the securities of the Company are listed on a prescribed stock exchange. The Company intends to seek disinterested shareholder approval in accordance with TSX-V policies and MI 61-101 for the Shares for Debt Transaction at its next annual general meeting of shareholders to be held as soon as practicable.

The Common Shares issued under the Shares for Debt Transaction will be subject to a four month hold period from the date of issuance.

Completion of the Shares for Debt Transactions is conditional upon obtaining TSX Venture Exchange and disinterested shareholder approval.

About BlueOcean NutraSciences Inc.

BlueOcean NutraSciences Inc. is a Canadian publicly-listed company (TSXV:BOC) whose mission is to develop sustainable products and services from Natural Sources, to improve the lives of its customers. Going forward, the Company’s sole focus is commercializing its patent-protected CO₂ gas infusion technology license and US PTO CO₂ foliar spray, patent pending, for accelerating both indoor and outdoor plant growth.

Dissolved natural CO₂ gas in water without bubbles is a new CO₂ delivery method for growers to increase yield via targeted CO₂ irrigation on plant leaves where all CO₂ gas is absorbed. The greenhouse industry has been gassing CO₂ to increase plant yields by an average of 33% (B.A. Kimball, Agronomy Journal, V75, September-October 1983) for the past 60 years while foliar spray has been used for the past 50 years. To date, no one has combined CO₂ gassing and water.

Targeting dissolved CO₂ water onto plant leaves versus CO₂ gassing an entire greenhouse to attain a desired CO₂ PPM level could also save 50% of CO₂ gassing costs and improve worker safety. Addressable markets using dissolved CO₂ irrigation water are as follows: 1. \$8 Trillion/y global food market of which \$340 Billion/y is from greenhouse produce and 2. Up to \$50 Billion/y by 2022 for legal global cannabis. No other patent has been issued for applying CO₂ to plants via foliar spray irrigation by the US PTO.

BlueOcean's shrimp-oil business and tax losses are being marketed for sale to focus on its CO₂ irrigation business, which has no competition. Shrimp-oil products are made from sustainably managed North Atlantic cold-water shrimp shells (the by-product of the cooked and peeled shrimp process) which contains phospholipid bound Omega-3 fatty acids and over 40 times more natural astaxanthin compared to krill oil ingredients.

Shrimp oil's unique nutritional properties allow for numerous health claims across a wide range of markets, including the \$4 Billion Omega-3 heart health market, the \$9 Billion joint health market and the \$10 Billion sports supplement market. BlueOcean currently markets its shrimp oil under three consumer brands: Pure Polar(R) Omega-3 Shrimp Oil, Joint AX™ and Sport AX™. Products may be purchased online at purepolarlabs.com.

Forward Looking Statements

This news release may contain forward-looking statements that are based on BlueOcean's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements. Statements speak only as of the date on which they are made, and the Company undertakes no obligation to update them publicly to reflect new information or the occurrence of future events or circumstances, unless otherwise required to do so by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.