FinCanna Announces Final Upsize to Convertible Debenture Financing to total $4.5 Million

written by Raj Shah | February 4, 2019

February 4, 2019 (Source) – ***Second Tranche of $2.1 Million Scheduled to Close on or before February 8, 2019***

FinCanna Capital Corp. ("FinCanna") (CSE: CALI) a royalty company for the U.S. licensed medical cannabis industry is pleased to announce that further to its news releases of January 11 and January 30, 2019 wherein it announced the closing of its oversubscribed Secured Convertible Debentures ("Debentures") financing in the amount of $2.4 million with firm commitments for an additional $1.875 million, today advises that it has increased the size of its second tranche financing to $2.1 million for an aggregate total of $4.5 million. This is the final increase to the financing that is scheduled to close on or before February 8, 2019, as previously announced.

The Debentures will be secured by a general security interest, will mature two years from closing and will bear interest at 12% per annum, payable in cash or, at the option of the Subscriber, in common shares of FinCanna ("Common Shares") subject to certain conditions. The Debenture is convertible into Common Shares at $.20 per share. Subscribers for Debentures will receive one common share purchase warrant ("Warrant") for each $0.20 of principal amount of Debenture. Each Warrant will entitle the holder to acquire one Common Share of FinCanna for $0.30 at any time up to two years from the Closing Date.

FinCanna intends to use the net proceeds from the Convertible Debenture to fund additional royalty investment opportunities and the company's ongoing working capital requirements.

"We're encouraged by the response we've had to this financing," said Andriyko Herchak, CEO of FinCanna Capital. "These funds will allow us to continue to diversify our portfolio with high impact high growth companies such as the investment we announced last week in QVI Inc., a cannabis infused product manufacturer located in Sonoma County, California. The capital from this financing along with ~US$3.9 million to be received from the sale of CTI's Coachella Property provides us with a solid financial base to not only meet our obligations but to further expand our portfolio for the benefit of our shareholders."

FinCanna will pay a cash finder's fee of 8% on a portion of the proceeds raised. The lead finder in the non-brokered financing is TriView Capital Ltd.

This press 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 and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available.

About FinCanna Capital Corp.

FinCanna is a royalty company that provides growth capital to rapidly emerging private companies operating in the licensed U.S. cannabis industry. The Company earns its revenue from royalties paid by its investee companies that are calculated based on a percentage of their total revenues.

FinCanna's scalable royalty model provides an attractive alternative or complement to debt or equity financing for its investee companies. FinCanna is focused on delivering high-impact returns to its shareholders by way of a strategically diversified investment portfolio.

For additional information visit www.fincannacapital.com and FinCanna's profile at www.sedar.com.

FinCanna Capital Corp.
Andriyko Herchak, CEO & Director

Cautionary Note Regarding Forward-Looking Statements
This news release contains forward-looking information based on current expectations. Statements about, among other things, the closing of the Convertible Debenture financing, expected terms and conditions of the Convertible Debenture financing, the completion, terms and size of the Convertible Debenture financing and the use of proceeds of the Convertible Debenture financing *are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Such factors include, but are not limited to: the ability to find suitable subscribers for the Convertible Debenture and the risk that the Convertible Debenture financing will not close as currently contemplated, or at all. Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance that the Convertible Debenture financing will occur or that, if the Convertible Debenture financing does occur, it will be completed on the terms described above and that such forward-looking information will prove to be accurate, as actual results and future events*

could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on the forward-looking information. FinCanna assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.