

# FinCanna Capital Provides Update on its Investment in Cultivation Technologies, Inc. in Irvine, California

written by Raj Shah | May 28, 2019



May 28, 2019 ([Source](#)) – FinCanna Capital Corp. (“FinCanna”) (CSE: CALI) (OTCQB: FNNZF) a royalty company for the U.S. licensed cannabis industry provides an update on its investment in Cultivation Technologies, Inc. (“CTI”).

On May 2, 2019 FinCanna announced that to protect its shareholders’ investment it acquired all of the rights and interests of CTI in substantially all of the existing property of CTI through a foreclosure at public auction pursuant to California Commercial Code section 9610. The consideration paid by FinCanna was a partial offset against total amounts owing to FinCanna by CTI, and the amount of the remaining balance is still owed to FinCanna. FinCanna and CTI are in discussions towards the best path forward for the underlying businesses of CTI.

The foreclosure has been challenged by certain purported shareholders of CTI against CTI, and earlier this year, plaintiffs in the same case sought and failed to obtain a preliminary injunction against CTI. The case, pending in in the Superior Court of California for Orange County, alleges that CTI and its employees harmed CTI’s shareholders by a number of actions, including by failing to stop FinCanna’s foreclosure,

which they falsely allege to have been conducted with the cooperation of CTI.

“Given the impact the foreclosure of CTI has on the various stakeholders, we are aware of legal challenges that have been made against the company and expect that additional challenges may also be made,” stated Andriyko Herchak, CEO of FinCanna Capital. “We believe FinCanna was wrongfully included in a lawsuit filed and are confident these unproven allegations will be found by the appropriate judicial forums to be without any substance or merit. Additionally, we will vigorously defend ourselves against these claims and intend to actively pursue counter-claims against these accusations to protect the rights of our shareholders. We maintain a very strong cash position and a diversified investment portfolio that includes three additional companies. We will announce any material changes relating to our investments as we continue grow and expand our business.”

FinCanna maintains that the actions taken to protect its contractual interests after investor concerns regarding CTI were duly considered and implemented, and counsel advises that this to be lawful in every respect. Moreover, the company will continue to take appropriate countermeasures to protect the rights and interests of its shareholders.

### **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](http://www.fincannacapital.com) and FinCanna's profile at [www.sedar.com](http://www.sedar.com).

**FinCanna Capital Corp.**

Andriyko Herchak, CEO & Director

**Cautionary Note Regarding Forward-Looking Statements**

*Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about how the developing U.S. legal regime will impact the cannabis industry. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risks identified in the CSE listing statement and other reports and filings with the applicable Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates*

*and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.*