Red Light Holland Closes $3M First Tranche of Private Placement

written by Raj Shah | June 9, 2020

June 9, 2020 (Source) – Red Light Holland Corp. (CSE: TRIP) ("**Red Light Holland**" or the "**Company**"), an Ontario-based corporation positioning itself to engage in the production, growth and sale of a premium brand of magic truffles to the legal, recreational market within the Netherlands, is pleased to announce that it has closed a first tranche (the "**First Tranche**") of its previously announced brokered private placement (the "**Private Placement**") of units (the "**Units**") for gross proceeds of approximately $3,000,000 with one institutional lead investor.

Pursuant to the First Tranche, the Company issued a total of 18,181,818 Units at a price of $0.165 per Unit (the "**Issue Price**"). Each Unit consisted of one common share in the capital of the Company (a "**Common Share**") and one Common Share purchase warrant (a "**Warrant**") of the Company. Each Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.26 at any time until June 8, 2024, subject to an accelerated expiry option. If, following the date that is four months and one day following the date hereof, the volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") for any 10 consecutive trading days equals or exceeds $0.50, the Company may, upon providing written notice to the holders of Warrants, accelerate

the expiry date of the Warrants to the date that is 30 days following the date of such written notice.

The Company intends to use the net proceeds of the First Tranche for working capital and general corporate purposes.

The First Tranche was completed on a best efforts agency basis through Eight Capital as agent for the Company (the "**Agent**"). In connection with the First Tranche, the Company paid the Agent a cash fee of $210,000 and issued 1,272,727 compensation options (the "**Compensation Options**"), with each Compensation Option entitling the holder to purchase one Unit of the Company at the Issue Price for a period of 48 months following the date hereof.

The Company anticipates closing a second tranche of the Private Placement on or about June 16, 2020.

All securities issued in the First Tranche closing are subject to a four-month hold period under applicable securities laws expiring October 9, 2020.

This press 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 state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.

About Red Light Holland Corp.

The Company is an Ontario-based corporation positioning itself to engage in the production, growth and sale (through existing

Smart Shops operators and an advanced e-commerce platform) of a premium brand of magic truffles to the legal, recreational market within the Netherlands, in accordance with the highest standards, in compliance with all applicable laws.

Forward-Looking Statements

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the control of Red Light Holland. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Forward looking statements include, but are not limited to, the anticipated closing of the second tranche of the Private Placement and the anticipated use of proceeds. The Company assumes no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

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