

# Scythian Biosciences Closes Acquisition of MMJ International Investments Inc.

written by Raj Shah | September 21, 2018

September 21, 2018 ([Source](#)) –

- Closing of Argentine Acquisition is Key Benchmark in Finalization of Previously Announced \$193 Million Sale of Assets in Latin America, Which as of Prior Day Close was Valued At Approximately \$313 Million
- Scythian Appoints Andy DeFrancesco as Chairman

Scythian Biosciences Corp. (the “**Company**” or “**Scythian**”) (CSE:SCYB) (Frankfurt: 9SB) (OTC – Nasdaq Intl: SCCYF) has completed its acquisition of MMJ International Investments Inc. (“**MMJ International**”), a privately-held British Columbia company that owns 100% of ABP S.A. (“**ABP**”), a pharmaceutical import and distribution company with a license to import, sell and distribute medical products and derivatives in Argentina (the “**Acquisition**”). ABP also holds a license to import cannabidiol oil into Argentina.

In accordance with the terms and conditions of an amended and restated share purchase agreement dated September 20, 2018 between the Company, LATAM Holdings Inc. (“**LATAM**”), which is a wholly owned subsidiary of the Company, MMJ International and all of the shareholders of MMJ International, the Company, through LATAM, purchased all of the issued and outstanding common shares of MMJ International and in consideration, the shareholders of MMJ International received 6,176,320 common shares in the capital of the Company (“**Common Shares**”) at a price per share equal to the closing trading price of the Common

Shares immediately prior to the closing date.

The Acquisition is one of Scythian's final transactions in South America and the Caribbean, where the Company's strategic investments and regional partnerships had previously been focused.

The acquisition of MMJ International and ABP will continue Scythian's strategic exit from its South American and Caribbean investments and partnerships, a process which includes the Company's previously announced disposition of regional assets for an aggregate of \$193 million. As of close of markets yesterday, the securities to be received as consideration for the regional assets is now valued at approximately \$313 million. As previously announced on August 23, 2018, Scythian intends to develop its presence in a number of U.S. states.

Additionally, Scythian has appointed Andy DeFrancesco as Chairman of the Board, effective September 21, 2018.

"Andy has distinguished himself as a successful leader of public companies with extensive experience in cannabis operations," Scythian CEO Rob Reid said. "Andy will strengthen an already well-equipped leadership team that has been overseeing Scythian's growth as the legal cannabis market rapidly expands."

In conjunction with the appointment, the Company has granted 400,000 Deferred Share Units ("**DSUs**") to Mr. DeFrancesco, pursuant to the Company's deferred share unit plan.

The Company also granted 100,000 options to Mr. Brady Cobb, a director of the Company, pursuant to the Company's stock option plan. The options were granted at an exercise price of \$4.35 per share and are exercisable for a period of five years following the date of grant. One third of the options vest as of the grant date, another one third of the options vest as of the first

anniversary following the grant date and the remaining one third of the options vest as of the second anniversary following the grant date.

### **About Scythian Biosciences Corp.**

Scythian is an international cannabis company with a focus on legal U.S. states. Its strategic investments and partnerships across cultivation, distribution and retail complement the company's R&D program with the University of Miami. It is this comprehensive approach that is positioning Scythian as a future frontrunner in the United States' medical cannabis industry.

### **Cautionary Statements**

*This press release contains certain forward-looking information and statements ("forward-looking information") within the meaning of applicable Canadian securities legislation, that are not based on historical fact, including without limitation, statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. Such forward-looking information includes information relating to the Company's strategic plans.*

*Readers are cautioned to not place undue reliance on forward-looking information. Forward-looking information is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from those contemplated in the forward-looking information, and even if such actual results or events are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Such risks and uncertainties include but are not limited to: the Company's ability to comply with all applicable governmental regulations in a highly regulated business; investing in target companies or projects which have*

limited or no operating history and are engaged in activities currently considered illegal under US federal laws; changes in laws; limited operating history; competition; reliance on management; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use and adult-use marijuana industry and; regulatory or political change. Risk factors can also be found in the Company's annual information form filed on SEDAR and available at [www.sedar.com](http://www.sedar.com).

The forward-looking information contained in this press release are expressly qualified by this cautionary statement and are made as of the date hereof. The Company disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.