

# Scythian Biosciences Closes Strategic Sale of Latin American and Caribbean Assets

written by Raj Shah | September 27, 2018

September 27, 2018 ([Source](#)) – *Scythian Received 15,678,310 common shares of Aphria Inc. as Consideration for the Sale*

*Scythian's Current Number of Issued and Outstanding Common Shares is 48,849,218*

Scythian Biosciences Corp. (the “**Company**” or “**Scythian**”) (CSE: SCYB) (Frankfurt: 9SB) (OTC – Nasdaq Intl: SCCYF) has closed its strategic sale of the Company’s Latin American and Caribbean assets to Aphria Inc. (TSX:[APH](#)) (“**Aphria**”), a leading global cannabis company. This sale will provide Scythian with leverage for early stage investments in emerging U.S. markets.

Pursuant to a definitive share purchase agreement (the “**Agreement**”) dated July 17, 2018 between Aphria and the Company, the Company sold to Aphria 100% of the issued and outstanding common shares of LATAM Holdings Inc., a direct, wholly-owned subsidiary of Scythian, which had previously acquired ownership of licenses and other assets held through subsidiaries in Argentina, Colombia and Jamaica (the “**Transaction**”).

Pursuant to the Transaction, Aphria indirectly acquired the following interests from Scythian:

- 49% of Marigold Projects Jamaica Limited (“**Marigold Projects**”). Marigold Projects has received licenses to cultivate and conditional licenses to process, sell and provide therapeutic or spa services using cannabis products in Jamaica;

- 100% of ABP S.A., an Argentinean pharmaceutical import and distribution company, which supported a number of university hospitals to secure an import permit for cannabis oil;
- 90% of Colcanna S.A.S., a Colombian medical cannabis producer, currently licensed for cultivation and importation of THC and CBD, extraction, production, research and exportation of medical cannabis products;

Scythian also granted to Aphria a right to purchase from Scythian, in one or more separate tranches, up to 90% of the issued and outstanding common shares of an entity in Brazil (which Scythian is seeking to acquire) that is pursuing a Brazilian medical cannabis license.

Under the terms of the Agreement and as consideration for the Transaction, Aphria issued 15,678,310 shares to Scythian and assumed USD \$1 million in aggregate liabilities owing to Scythian (the “**Consideration**”). As a closing condition, 350,000 of the Consideration shares have been held back and will be released to Scythian upon the post-closing satisfaction of a US\$5,000,000 obligation owing to Colcanna SAS by Scythian.

“We are excited to exit our Latin American and Caribbean assets to one of the world’s leading operators in cannabis cultivation and distribution”, said Scythian CEO Rob Reid. “This transaction contains all of the elements we have been looking for and will help accelerate our growth trajectory and portfolio. The deal substantially enhances our funding for strategic early-stage investments.”

As of today, Scythian has 48,849,218 common shares issued and outstanding.

Clarus Securities Inc. acted as exclusive financial advisor to the Company.

## **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, without limitation, information relating to the Company's strategic plans and the acquisition of an entity in Brazil.*

*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, among other things: 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.*