SOL Global's CBD and Hemp Portfolio Company, Heavenly Rx, Closes Private Placement Financing of Over $12 Million

written by Raj Shah | April 18, 2019

April 18, 2019 (Source) – SOL Global Investments Corp. ("**SOL Global**" or the "**Company**") (CSE: SOL) (OTCQB: SOLCF) (Frankfurt: 9SB) is pleased to announce that it has completed multiple tranches of a non-brokered private placement financing of common shares of its subsidiary, Heavenly Rx Ltd. ("**Heavenly Rx**"), for aggregate gross proceeds of $12,586,250 (the "**Offering**"). An aggregate of 125,862,500 common shares in the capital of Heavenly Rx ("**Heavenly Shares**") were issued and sold at a price of $0.10 per Heavenly Share. As a result of this financing, SOL Global now holds 34.40% of the issued and outstanding Heavenly Shares with the subscribers from the Offering collectively holding the remaining 65.60%. The Heavenly Shares were sold to accredited investors pursuant to applicable securities regulations and are subject to an indefinite hold period.

The proceeds from the Offering are intended to be used by Heavenly Rx to acquire significant or controlling ownership interests in various industry-leading assets in the hemp/CBD and THC-free cannabinoid wellness space, with a focus on hemp cultivation, processing and the manufacturing of a diverse range of traditional CBD products including oils, tinctures, balms, and vape-ready products. Heavenly Rx will also own and operate

its own retail locations along with health & wellness related studios where it will generate a repetitive captive audience with a desire for Heavenly Rx's products to be part of its customers' daily routine. It is expected that Heavenly Rx's portfolio will include several proprietary brands across numerous consumer product group verticals such as cosmetics and beauty products, bath and body products, and infused foods.

Certain senior officers of the Company and of Heavenly Rx participated in the Offering, subscribing for a total of 1,500,000 Heavenly Shares for an aggregate amount of $150,000. Participation of such insiders in the Offering constituted a "related party transaction" as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"), but is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the securities issued to the insiders nor the consideration paid by the insiders exceeded 25% of the Company's market capitalization.

Furthermore, certain current and former family members of SOL's Chief Investment Officer independently participated directly and indirectly in the Offering for aggregate gross proceeds of $550,000. Such participation in the Offering did not constitute a "related party transaction" within the meaning of MI 61-101.

About SOL Global Investments Corp.

SOL Global is an international investment company with a focus on, but not limited to, cannabis and cannabis related companies in legal U.S. states, the hemp and CBD marketplaces and the emerging European cannabis and hemp marketplaces. 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 SOL Global as a future frontrunner in the United States' medical cannabis industry.

Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy.

The forward-looking information contained in this press release includes statements relating to the use of the proceeds of the Offering and the strategic plans of Heavenly Rx. Forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances. While we consider these assumptions to be reasonable based on information currently available to management, there is no assurance that such expectations will prove to be correct.

By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not

prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release. Such factors 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; 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. Additional risk factors can also be found in the Company's current MD&A and annual information form, both of which have been filed on SEDAR and can be accessed at www.sedar.com*.*

Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

The securities referred to in this news release have not been and will not be registered under the *United States Securities*

Act of 1933, as amended ("**U.S. Securities Act**"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent such registration or an applicable exemption from the registration requirements of the U.S. Securities Act. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities.