

TrustBIX Inc. Announces Letter of Intent, Private Placement, Investor Relations Services, and Stock Option Grants

written by Raj Shah | February 3, 2022

Acquisition letter of intent

February 02, 2022 ([Source](#)) – TrustBIX Inc. (TSXV: TBIX) (OTCQB: TBIXF) (**“TrustBIX” or the “Company”**) is pleased to announce the signing of a non-binding Letter of Intent (the “LOI”) with a Canadian private company (the “Target”) with a focus on providing tracking solutions to track, protect and identify the movement of high-value moveable equipment used in the agriculture industry. TrustBIX would acquire 100% of the issued and outstanding shares of the Target (the “Transaction”).

The initial purchase consideration would be 10,000,000 common shares of the Company (subject to applicable escrow and resale restrictions). An additional amount of up to 20,000,000 common shares may be issued by the Company as part of the consideration based on attaining certain projected revenue metrics and other financial results that would be applicable over the twelve months after the closing of the Transaction.

Hubert Lau, CEO of TrustBIX, stated, “We view this Transaction as another key step in our growth strategy for building depth and scale in the agri-tech industry. We appreciate and are thankful for the services of P&C Ventures Inc., as previously announced in our January 10, 2022 press release.”

TrustBIX and the Target have agreed to make their best efforts to negotiate and prepare the Definitive Agreement on or before February 18, 2022. The Transaction is subject to, among other matters, standard due diligence review by TrustBIX, board approvals for the Transaction by each party, execution of assignments and consents of all key agreements, regulatory and exchange approval, and signing of a binding definitive agreement (the “**Definitive Agreement**”). TrustBIX will issue a news release updating this information and providing more detail on the parties and finalized terms once the Definitive Agreement has been concluded.

Private placement

As part and parcel with the Transaction, TrustBIX intends to complete a non-brokered private placement (the “Private Placement”) of up to 11,111,111 units (“Units”) at a price of \$0.18 per Unit for gross proceeds of up to \$2,000,000, subject to regulatory approval. The net proceeds from the Private Placement will be used in respect of the Transaction, as general working capital of the Target and TrustBIX.

Each Unit is comprised of one (1) common share in the capital of TrustBIX (“Common Share”) and one (1) Common Share purchase warrant (“Warrant”), whereby each Warrant entitles the holder to purchase one (1) Common Share at a price of \$0.30 for a period of eighteen (18) months from the date of closing. If after four (4) months plus one day after closing, the closing price of the Common Shares on the principal market on which such shares trade is equal to or exceeds \$0.50 per Common Share for twenty (20) consecutive trading days, TrustBIX will have the right to accelerate the expiry date of the Warrants.

In the event of acceleration, the expiry date will be accelerated to a date that is thirty (30) days after the date

that written notice has been given to the warrant holder or the date that TrustBIX has issued a press release announcing the exercise of the acceleration right; and thereafter, no further notification will be provided by TrustBIX to the subscribers. The securities issued under the Private Placement are subject to a four-month plus one day hold period from the time of closing of the Private Placement.

Engagement of investor relations services

TrustBIX has engaged North Equities Corp., a Toronto marketing firm, for a one-year marketing and consulting services agreement. North Equities Corp. specializes in various social media platforms and will be able to facilitate greater awareness and widespread dissemination of the Company's news.

Under the terms of the agreement, TrustBIX will pay \$160,000 cash consideration and non-cash consideration of 800,000 stock options. These options have an exercise price of \$0.20 per common share and expire one year from grant. The contract can be cancelled after six months, which would result in the cancelation of 400,000 stock options and limit the cash commitment under the agreement to \$80,000.

Grant of stock options

In accordance with the policies of the TSX Venture Exchange, the board of directors has approved a grant of stock options to directors, officers and consultants of TrustBIX to purchase an aggregate of 3,815,000 common shares pursuant to its stock option plan. Of these options, 2,715,000 options will have an exercise price of \$0.30 per common share and expire on February 1, 2027, and 1,100,000 options (inclusive of the 800,000 options to North Equities Corp. as described above) will have an exercise price of \$0.20 per common share and expire on February 1, 2023.

About TrustBIX (TSXV: TBIX) (OTCQB: TBIXF)

As an innovative leader, TrustBIX provides agri-food traceability and chain of custody value solutions. The Company's goal is to create a world where we trust more, waste less and reward sustainable behaviour by addressing consumer and agri-food business demands. The proprietary platform, BIX (Business InfoXchange system), is designed to create trust without compromising privacy through innovative, blockchain-derived use of technology and data. By leveraging BIX and its unique use of incentive solutions, TrustBIX delivers independent validation of food provenance and sustainable production practices within the supply chain – Gate to Plate®.

ViewTrak Technologies Inc., a wholly owned subsidiary, provides a suite of hardware and software solutions to the livestock industry in Canada, United States, Mexico and China, such as Auction Master Pro, Market Master, Feedlot Solutions and pork grading probes.

For more information, visit www.trustbix.com, or follow TrustBIX on Twitter @BIXSCdn, LinkedIn www.linkedin.com/company/bixsco-inc-/ and Facebook at www.facebook.com/BIXSco.

Forward-Looking Information

This press release contains certain forward-looking information and reflects the Company's present assumptions regarding future events. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance, and/or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements.

Certain statements contained in this document constitute forward-looking statements and information within the meaning of the applicable Canadian securities legislation. When used in this document, the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions used by any of the Company’s management, are intended to identify forward-looking statements. Such statements reflect the Company’s internal projections, expectations, future growth, performance and business prospects and opportunities and are based on information currently available to the Company. Since they relate to the Company’s current views with respect to future events, they are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by applicable securities legislation, regulations or policies.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX

Venture Exchange) accepts responsibility for the adequacy of accuracy of this release.