

Auxly Cannabis Group Inc

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Auxly Cannabis closes US\$15M purchase of Uruguay company to boost global access

Auxly Cannabis Group Inc (CVE:XLY) (OTCMKTS:CBWTF) said Wednesday that it has completed its US\$15 million acquisition of an 80% stake in Inverell SA.

Vancouver-based Auxly said in a press release that the purchase of the Montevideo, Uruguay-based company enhances its role as an international distributor of cannabinoids. Auxly added that its partnership with ICC International Cannabis Corp (CSE:WRLD) (OTCMKTS:KNHBF) gives it access to 16 markets through a network of 35,000 pharmacies.

READ: Auxly Cannabis shares rocket as it advances \$4m to Lotus Ventures to complete growing facility

"The low-cost and high-volume access to cannabidiol molecules, through our ownership in Inverell, positions Auxly to be a leader in the global value-added cannabinoid-based product markets," Auxly President and Director Hugo Alves said in a statement.

He added that Inverell exceeded its 2018 planting target of 150 hectares (370 acres) of hemp plants and has made progress in developing its extraction facility.

Under the deal, Auxly paid US\$2 million in cash, US\$3.56 million through the issuance of 1.9 million common shares at C\$2.28 a share and US\$9.4 million through the issuance of 5.1 million shares to be held in escrow pending the achievement of certain milestones.

Those milestones include the registration of Inverell's cannabis genetics and the export of cannabidiol products.

Shares of Auxly rose US\$0.03, or 3.7%, to US\$0.66 in after-hours OTC Markets trading. They fetched C\$0.88 in Canada on Tuesday.

Contact Dennis Fitzgerald at dennis@proactiveinvestors.com

Price: C\$0.88

Market Cap: C\$498.9M

1 Year Share Price Graph



January 2018 July 2018 January 2019

Share Information

Code: XLY

Listing: TSX-V

52 week High Low
C\$2.36 C\$0.60

Sector: Cannabis

Website: www.auxly.com

Company Synopsis:

Auxly Cannabis Group Inc. operates as a cannabis streaming company. It provides funding for cannabis production; and holds contractual rights and minority equity interest relating to the operation of cannabis facilities. The company was formerly known as Cannabis Wheaton Income Corp. and changed its name to Auxly Cannabis Group Inc. in June 2018. Auxly Cannabis Group Inc.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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