

The Valens Company

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Buds & Duds: Cannabis stocks slip but Valens shares jump on expanded extraction deal with Tilray

Cannabis stocks slipped on Tuesday, with broader losses across North American markets.

The North American Marijuana Index, which tracks the top cannabis stocks in the US and Canada, was down 1.5% to 247.2 points by Tuesday's close. The Horizons Marijuana Life Sciences Index ETF was down 1.6% to C\$19.15. The OTCQX Cannabis Index was down 1.2% at 761.3 points.

Buds

Despite the trend of the sector, a number of stocks were on the rise on Tuesday.

Valens GroWorks Corp (CSE:VGW) (OTCMKTS:VGWCF) shares were boosted after the firm announced Monday that it has boosted the size and scope of its cannabis extraction deal with Tilray Inc (NASDAQ:TLRY).

Shares of Valens were up 3.9% at C\$4.03 in Toronto, up 3.4% at US\$3.04 in New York.

The firm said it has expanded the volume of extraction services and has added an option to provide contract manufacturing services to the arms-length, binding multi-year agreement announced in February with Tilray.

"We are honoured to be recognized by Tilray, not only as a leader in the extraction space, but also for our ability to create value through our innovative product development and contract manufacturing services," said CEO Tyler Robson in a release. "We anticipate these services will become a significant component of our business as we continue to grow alongside our customers."

READ: Valens bolsters size and scope of extraction deal with Tilray

Other stocks on the move Tuesday included CannaRoyalty Corp, which is doing business as Origin House (CSE:OH) (OTCMKTS:ORHOF), which announced it had made "technical amendments" to its deal with US cannabis operator Cresco Labs Inc (OTCMKTS:CRLBF) (CSE:CL).

Shares of Origin House were up 3.7% at US\$7.67 in New York, and up 4.2% at C\$10.21 in Toronto earlier on Tuesday. Shares of Cresco Labs were up 2.9% at US\$9.89 in New York and up 3.1% at C\$13.15 in Toronto.

The amendments permit outstanding restricted share units to remain outstanding, following the finalization of the deal, as opposed to converting them into subordinated voting shares of Cresco, as was previously announced.

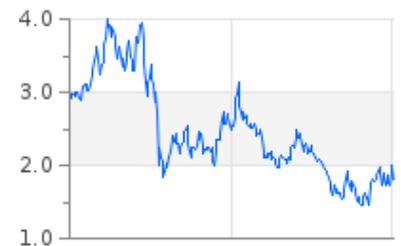
In May, the firms struck a deal that would see Cresco acquire Origin Hours in a friendly, all-stock deal worth US\$1.1 billion. Shareholders are scheduled to vote on the deal later this week.

READ: High Hampton Holdings is California dreaming, changes name to Mojave Jane

Price: 1.84

Market Cap: \$236.16 m

1 Year Share Price Graph



December 2019 June 2020 November 20

Share Information

Code: VLNS

Listing: TSX

52 week	High	Low
	3.13	1.44

Sector: Cannabis

Website: thevalenscompany.com

Company Synopsis:

The Valens Company is a multi-licensed, vertically-integrated cannabis company focused on being the partner of choice for leading Canadian and international cannabis brands by providing best-in-class, proprietary services including CO₂, ethanol, hydrocarbon, solvent-less and terpene extraction, analytical testing, formulation and white-label product development.

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High Hampton Holdings (CSE:HC) (OTCMKTS:HHPHF) shares were on the rise after the firm announced it is changing its name to Mojave Jane Brands Inc.

Shares were up 5.1% at C\$0.31 in Toronto.

The Toronto-based company has a vertically integrated presence in California, including the Caligold brand of cannabis-infused chocolate. Pending approval, the company will also change its ticker on the Canadian Securities Exchange to "JANE."

"As we begin to deliver on our consumer and brand first strategy, it's appropriate that we re-launch and re-name this business to reflect that strategy," said CEO Gary Latham. "More than a name change; this is a well-orchestrated plan that began and continues with the acquisition of leading California companies in the manufacturing, distribution, and delivery businesses."

Duds

A number of stocks lagged on Tuesday, with Cronos Group Inc (NASDAQ:CRON) (TSE:CRON) dropping 2% at C\$22.59 in Toronto, down 2.2% at US\$17 in New York.

Shares of Emerald Health Therapeutics Inc (CVE:EMH) also dropped, down 7.9% to C\$2.93 in Canadian trading.

The Victoria, BC-based company is a Health Canada licensed producer of medical and adult-use cannabis. Last week, the firm released news that it had inked its first purchase order from Société Québécoise du Cannabis (SQDC) to supply recreational products to Quebec.

The firm has a number of agreements across Canada, including ones with Ontario (Ontario Cannabis Retail Corporation), BC (the British Columbia Liquor Distribution Board), Newfoundland (Newfoundland Labrador Liquor Corporation), PEI (PEI Cannabis), Yukon (Yukon Liquor Corporation) and more.

Planet 13 Holdings Inc (CSE:PLTH) (OTCMKTS:PLNHF) shares were also dropping Tuesday, down 1.4% at C\$2.12.

Last week, the cannabis company, based in Nevada, announced it would acquire a cannabis sales license and dispensary lease in Santa Ana, California from Newtonian Principles Inc in a deal valued at US\$10 million.

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