

Redfund Capital Corp.

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Redfund Capital secures equity in Canadian hemp company Wahupta Ventures

Redfund Capital Corp (CSE:LOAN) (OTC:PNNRF) revealed Tuesday that it had struck an agreement for the right to acquire 51% of British Columbia-based hemp company Wahupta Ventures Inc.

Vancouver-based Redfund has secured the right to purchase 19.9% of Wahupta Ventures and will have the option on an additional 31.1%.

In a statement, the company said it is carrying out due diligence, and the signing of a definite agreement will take place no later than October 1.

READ: Redfund Capital expands deal with Wahupta Ventures to provide new financing

On February 21, Redfund agreed to invest up to \$1 million in Wahupta to help build out its growing Canadian hemp operations. Redfund will issue restricted common shares to Wahupta, and the release of the restricted shares are contingent on predetermined milestones to be reached by Wahupta.

Redfund provides debt and equity funding in the mid-to-late stages of a target cannabis company's development. Its focus is on companies specializing in medical cannabis as well as health care and hemp and CBD-related products.

Wahupta which operates in Canada and the US, cultivates, processes and extracts hemp and cannibidiol (CBD) in collaboration with sovereign Indigenous communities throughout North America. The company is also partnered with Canadian hemp-food manufacturer Naturally Splendid Enterprises.

Wahupta harvested approximately 2.5 million pounds of flower/hemp biomass from their 2018 test crop. The company is negotiating toll-processing and supply agreements with Canadian licensed producers.

First mover advantage

"Many Canadian merchant banks have followed our debt financing model and while it is exciting to be a first mover; today marks the next phase of our growth cycle in the company," said Redfund CEO Meris Kott in a statement.

"Our right to acquire Wahupta secures our entrance strategy into the CBD arena, which we believe is becoming the most relevant medical cannabis global footprint."

Kott said that Redfund will acquire additional controlling positions in other CBD focused businesses with Wahupta as its lead footprint.

"This strategy we believe will bring greater upside to our shareholders," said Kott.

On a separate note, Redfund announced the appointment of Kelly McQuiggan as the company's chief financial officer, replacing Ryan Cheung.

McQuiggan earned his chartered accountant designation in Alberta after articling with KPMG LLP and MacKay LLP. He

Share Information

Code: LOAN
Listing: CSE
Sector: Banks
Website: www.redfundcapital.com

Company Synopsis:

Designed by bankers and entrepreneurs with years of experience in business, consulting, capital markets, corporate finance, healthcare services, and the cannabis industry, Redfund Capital provides a debt financing facility to help companies build their valuation and get to the next level in their financing cycle without giving away equity prematurely in their growth cycle. .

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