

# Crop Infrastructure Corp.

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## CROP Infrastructure unveils sweeping restructuring plan

CROP Infrastructure Corp (CSE:CROP) (OTCMKTS:CRXPF) unveiled a sweeping proposed restructuring drive to divest itself of its underperforming assets, monetize its producing assets and "consolidate its share capital" to facilitate equity financing.

CROP Infrastructure is focused on real estate assets and cannabis branding. The company name spells it out in a clear way: CROP is an acronym for Cannabis Real Estate Opportunity Portfolio, and it offers turnkey services by building, leasing and managing international cannabis and hemp infrastructure.

As of August 31, the company said it had offered real estate solutions for lease-to-licensed cannabis producers by building, leasing and managing cannabis and hemp production facilities through membership interests and unsecured loans totaling C\$25,663,915 through a portfolio of six US-based limited liability entities.

### READ: CROP Infrastructure forges path to prosperity in cannabis

In a statement, the company said on Friday that after a "strategic review of its assets," the company intends to work with management and operators of the various US LLC's to "directly or indirectly" sell such interests, or the underlying assets with the exception of Elite Ventures Group LLC's Nevada hemp-related assets located in Nye County, Nevada.

The proposed sale of assets will require the consent of the company's creditors. This includes roughly US\$1,500,000 in promissory notes payable to certain parties, which are due on March 31 and an aggregate of C\$5,250,000 in outstanding senior secured convertible debentures.

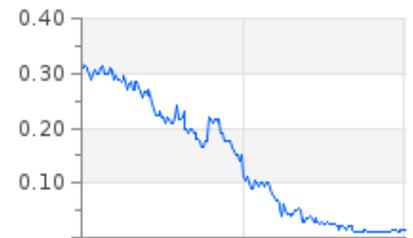
The company said obligations under the debentures are collaterally secured by a security pact covering acquired property and an unlimited guarantee from DVG LLC, Elite Ventures Group LLC, Humboldt Holdings LLC, Ocean Green Management LLC, and Wheeler Park Properties LLC. It also extends to a pledge of equity interest from the company relating to its interests in its secured LLCs and a "first priority deed of trust lien" on certain properties held by the secured limited liability companies in California, Washington and Nevada.

### Consolidate outstanding shares

To fund the restructuring blueprint, the company will consolidate its outstanding shares on a 15-for-1 basis, after which it will issue one post-consolidation share for 15 pre-consolidation shares. The board has fixed January 15, as the record date for the shares consolidation. Following the consolidation, the 171,691,364 shares currently issued and outstanding will reduce to approximately 11,446,090 shares. No fractional shares will be issued, with the consolidation of any such fractional share being rounded to the nearest whole number.

To fund the company's operations in the short term, it has accepted short-term loans totaling \$349,900. After the consolidation, CROP intends to pursue options for equity financing on terms to be determined.

### 1 Year Share Price Graph



April 2019 August 2019 January 2020

### Share Information

**Code:** CROP  
**Listing:** CSE  
**Sector:** Cannabis  
**Website:** [cropcorp.com](http://cropcorp.com)

### Company Synopsis:

*CROP Infrastructure Corp. (CSE: CROP / OTC: CRXPF) provides financing for land expansion, turnkey state-of-the-art greenhouse facilities, brand positioning opportunities, specialized equipment, and access to approved nutrients for select licensed producers in legal growing regions.*

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The company also plans to change its name to "Vert Infrastructure Corp" and trade under a new symbol "VVV".

In line with its sweeping overhaul, the company indicated that it is also considering changes to both its management and board of directors.

After much deliberation, CROP recently scrapped plans to sell itself to a rival cannabis company MYM Nutraceuticals Inc (CNSX:MYM).

CROP's assets include medical and recreational facilities in California, a 1,012-acre Nevada Cannabis farm, a 500-acre Hemp CBD farm and a growing portfolio of cannabis company shares.

The firm's Nevada operations consist of Elite Ventures Group LLC, in which it has a 49% membership interest with an option to increase its interest to 83%. Elite owns a 1,012-acre THC Cannabis farm located in Esmerelda County, Nevada and a 315-acre Hemp CBD farm located in Nye County, Nevada as well as infrastructure, buildings, chattels and farming equipment. Isogenics LLC, Elite's Esmerelda Property operations partner, holds the THC cultivation, production and distribution licenses registered on the Esmerelda Property.

Similarly, the firm's California operations include Humboldt Holdings LLC in which it holds a 49% interest. Humboldt owns an 8.46-acre THC cannabis farm in Humboldt County, California. The property currently houses a 10,000 square foot greenhouse as well as a barn, garage and residence.

The company also has a 30% interest in Ocean Green Management LLC, and a 49% interest in Wheeler Park Properties LLC, which owns 9 acres of land and an advanced 35,000 square foot cannabis greenhouse. It also has a 30% interest in DVG LLC, which holds a lease with an option to purchase four acres of land in Moses Lake, Washington, and zoned for commercial cannabis production. In Oklahoma, the company has a 49% interest in Oklahoma Ventures Group LLC.

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