

XPhyto Therapeutics Corp.

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XPhyto Therapeutics brings in C\$2M from placing for European imports business

XPhyto Therapeutics Corp (CSE:XPHY) (OTCMKTS:XPHYF) has raised C\$2 million gross from a fully subscribed private placing to fund its European imports business.

In a statement on Monday, the group said it plans to expand its EU lab processing and storage capacity. The funds will also be used for regulatory compliance, inventory purchase and product development, manufacturing, and distribution, as well as for working capital.

As reported last week, the company struck a three-year supply and distribution deal with Colombian cultivator PharmaCielo Ltd, to serve XPhyto's German medical cannabis business.

READ: XPhyto Therapeutics strikes three-year cannabis supply deal with PharmaCielo for its German business

The Colombian group became its preferred supplier for its European import and distribution business and to supply premium oils and isolates for its medical cannabis products.

XPhyto sold 2,000 convertible debenture units for C\$2 million gross. Each debenture unit consists of C\$1,000 principal amount of 8% unsecured convertible debentures and 1,000 share purchase warrants.

The debentures bear interest at 8% a year, calculated and payable semi-annually and mature two years following the date of issue.

They are also convertible - at the option of the holder - into XPhyto shares at any time prior to the maturity date at a conversion price C\$1 each.

Each warrant is exercisable to acquire one company share at an exercise price of C\$1.50 per warrant share until January 31, 2022, the firm added.

XPhyto also noted today that it has issued 500,000 warrants to PharmaCielo Ltd for the above-mentioned strategic partnership and supply agreement.

Each consideration warrant is exercisable to acquire one share at an exercise price of C\$2 for two years following the date of issuance.

Shares ticked up over 10% in Toronto to C\$1.75 each.

---Updates for share price---

Contact the author at giles@proactiveinvestors.com

Price: 2.99

Market Cap: \$162.22 m

1 Year Share Price Graph



August 2019 February 2020 July 2020

Share Information

Code: XPHY

Listing: CSE

52 week High Low
3.55 0.73

Sector: Cannabis

Website: www.xphyto.com

Company Synopsis:

XPhyto is a science-based cannabis company focused on formulation, clinical validation, and emerging European markets. XPhyto's 100% owned German subsidiary, Bunker Pflanzenextrakte GmbH, has been granted a unique German cannabis cultivation and extraction licence for scientific purposes by the German Federal Institute for Drugs and Medical Devices (BfArM).

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