

Supreme Pharmaceuticals

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Supreme Pharma closes C\$10.61m third financing tranche

Supreme Pharmaceuticals Inc. (CNSX:SL) said on Tuesday it has closed the third and largest tranche of a non-brokered private placement for proceeds of C\$10,610,625, and aggregate proceeds from three tranches of C\$14,949,755.

The company issued an aggregate 37,374,388 units at a price of 40 cents per unit. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable for one common share of the corporation at a price of 50 cents for a period of three years from closing.

The company will use net proceeds of the financing for the expansion of the company's hybrid greenhouse facility and for general working capital purposes.

"This financing represents a big step in the growth of Supreme," said John Fowler, chief executive officer of Supreme.

"We are well positioned to complete our phase 1 expansion of the hybrid greenhouse to satisfy wholesale demand in excess of current capacity. The participation from existing shareholders, directors, management and local investors from Kincardine demonstrates our stakeholders' confidence in our organization and business plan. We are fortunate to have such a strong and supportive shareholder base moving forward."

The common shares and warrants issued are subject to a hold period that expires December 31. In aggregate, the company paid finders' fees of C\$365,539 and issued 906,349 warrants across the three tranche closures.

In addition, the company issued 4,123,783 stock options to various employees, directors and consultants pursuant to the company's employee stock option plan. Each option has an exercise price of 75 cents and is exercisable at any time prior to August 29, 2021, subject to the terms and conditions of the plan.

The company also triggered the forced conversion of the remaining C\$410,000 principal amount of secured convertible debentures issued April 23, 2015, through the issuance of 2,411,765 common shares, and will proceed to discharge the security previously granted in favour of the holders of secured convertible debentures.

Share Information

Code: SL

Listing: CNSX

Sector: Pharma & Biotech

Website:

www.supremepharmaceuticals.com

Company Synopsis:

Supreme Pharmaceuticals Inc. is a Company that is dedicated to providing and developing an in-licensed technology with an IP portfolio aimed at targeting Obesity. The platform will address the fundamental changes in healthcare and enabling relief for millions people in Obesity. In addition, the company is also pursuing opportunities in the Medical Marijuana Industry.

action@proactiveinvestors.com

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

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