

Tidal Royalty Corp.

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Tidal Royalty completes US\$5M private placement and financing fee agreement with Lighthouse

Tidal Royalty Corp (CSE:RLTY.U) said it has closed its US\$5 million private placement with Lighthouse Strategies LLC and a concurrent financing fee agreement.

The Toronto-based cannabis industry financier said in a press release that it's entitled to 1% of the net sales of Lighthouse beverage lines, including Cannabiniers, Two Roots Brewing Co and Creative Waters Beverage Co.

READ: Tidal Royalty makes strategic investment in Lighthouse Strategies, maker of the first non-alcoholic cannabis-infused craft beer. Lighthouse operates 11 companies serving both traditional and regulated markets, including vertically integrated cannabis assets licensed in California and Nevada. The company is known for developing the world's first non-alcoholic, cannabis-infused craft beer and liquor brand, according to Tidal Royalty.

"Our enthusiasm for infused beverages has only grown since we initially announced this transaction," Tidal Royalty CEO Paul Rosen said in a statement. "We believe that Lighthouse has all the pieces in place to be a market leader in this space."

Under the deal, financing fees will accrue until Dec. 1, when Tidal Royalty may choose to receive such fees in cash or membership units of Lighthouse. After that, financing fees are payable quarterly in cash.

The term of the financing fee agreement is four to six years, depending on the achievement of certain milestones. Included are acceleration provisions in the event of a substantial asset divestiture, change of control or initial public offering.

Shares of Tidal fetched US\$0.13 in Wednesday's Canadian trading.

Contact Dennis Fitzgerald at dennis@proactiveinvestors.com

Price: US\$0.14

Market Cap: US\$36.37M

1 Year Share Price Graph



June 2018 October 2018 January 2019

Share Information

Code: RLTY.U

Listing: CSE

52 week High Low
\$0.83 \$0.09

Sector: Cannabis

Website: www.tidalroyalty.com

Company Synopsis:

Tidal Royalty is the leading provider of royalty financing to the legal cannabis industry. Our team has built, led and advised some of the most iconic cannabis businesses in Canada and across the world. We leverage this expertise to identify exceptional licensed operators and provide them the financing they need to grow their business.*

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