

The Valens Company

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The Valens Company strikes two new multi-year supply and extraction deals

Valens GroWorks Corp (CVE:VLNS) (OTCMKTS:VLNCF) announced two major multi-year extraction and supply deals on Monday, its first moves since rebranding to The Valens Company.

The first deal with cannabis producer Emerald Health Therapeutics Inc (CVE:EMH) will see Valens process cannabis and hemp biomass into resins and distillates.

Under a separate agreement, Valens will supply edibles producer Dynaleo with distillate to use in the production of CBD ingestible products.

READ: Valens GroWorks rebrands to The Valens Company

In the Emerald deal, Valens signed a four-year deal that sees the extraction company processing a minimum of 10,000 kilograms per year of cannabis and hemp biomass, supplied by Emerald.

Valens will process the biomass into resins and distillates on a fee-for-service basis.

In addition, Valens will supply Emerald with white label services such as formulation, mixing and filing for products like vaporizers, softgels and tinctures.

The deal is expected to kick off in the first quarter of 2020.

"We are excited to partner with Emerald Health to provide our extraction and white label expertise to bolster their product platform," said Tyler Robson, CEO of The Valens Company, calling Emerald Health "one of the industry's leading players."

Emerald Health's CEO Riaz Bandali said the company was excited to have Valens onboard as a strategic partner. "Beyond being an industry leader in extraction, formulation, and other services, Valens' cost-effective end-to-end fulfillment solution can help transition our novel product ideas into tangible products in a faster and more cost-effective manner," Bandali said in a statement.

Dynaleo deal

The deal with Dynaleo, meanwhile, sees Valens supplying the edibles producer with distillate or S?RSE emulsions containing a minimum of 40 kilograms of active THC or CBD cannabinoids, the company told investors.

The agreement has an initial two-year term with two automatic one-year renewals. During the third year of the deal, Dynaleo will purchase at least 50 kilograms in distillate or S?RSE emulsions and 75 kilograms in the fourth year.

According to the terms, if Dynaleo decides to receive emulsified, high-potency cannabis oil, it will be processed using

Price: 1.58

Market Cap: \$202.79 m

1 Year Share Price Graph



October 2019 April 2020 October 2020

Share Information

Code: VLNS

Listing: TSX

52 week High Low
3.13 1.49

Sector: Cannabis

Website: thevalenscompany.com

Company Synopsis:

The Valens Company is a multi-licensed, vertically-integrated cannabis company focused on being the partner of choice for leading Canadian and international cannabis brands by providing best-in-class, proprietary services including CO2, ethanol, hydrocarbon, solvent-less and terpene extraction, analytical testing, formulation and white-label product development.

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Valens' S?RSE technology for an additional charge.

READ: Valens widens exclusive licence pact to bring cannabis-infusion technology to new markets

Valens president Jeff Fallows said the company was excited to be working with Dynaleo on its edibles production.

"The team at Dynaleo have been active in the Canadian cannabis sector for many years advocating for safe, high-quality edibles for the adult use market," Fallows said in a statement. Fallows said that Valens will be supporting Dynaleo's operations with quality active cannabis inputs as Dynaleo builds a state-of-the-art, large scale facility due to come online in 2020.

The new facility gives Dynaleo the capacity to produce more than 400 million units in its first year of operations, according to Fallows.

Valens also said it had received regulatory approval to change its OTCQX ticker symbol to "VLNCF."

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