

NAPANEE, ON, June 20, 2019 /CNW/ – **VIVO Cannabis Inc. (TSX-V: VIVO, OTCQX: VVCIF)** ("**VIVO**" or the "**Company**") is pleased to announce that it has made a \$1.25 million strategic investment in **Friendly Stranger Holdings Corp. ("Friendly Stranger")**, a longstanding retail champion of cannabis culture. The investment is intended to facilitate Friendly Stranger's aggressive cannabis retail expansion plans, with a goal of bringing multiple retail stores to the Canadian market.



"VIVO is focused on expanding capacity and increasing production capability to help meet the growing demand for cannabis among recreational users," stated Barry Fishman, Chief Executive Officer of VIVO. "Friendly Stranger has been an iconic brand in the Canadian cannabis sector for more than 25 years and we believe trusted retailers are integral to showcasing our premium family of brands, including Canna Farms™, Fireside™, and Lumina™. We have actively sought strategic partnerships with retailers to establish strong relationships with existing and future leaders in the cannabis industry. We look forward to working with Friendly Stranger to advance their premium adult-use cannabis retail strategy in Ontario and throughout Canada."

"We look forward to welcoming VIVO to the Friendly Stranger family," said James Jesty, President, Friendly Stranger Holdings Corp. "With a strategic investment from VIVO, we have additional capital to execute the first phase of our growth strategy to scale and evolve the business. This will include operating several locations fully licenced to sell adult-use cannabis, pending Ontario granting additional licences. VIVO is an ideal partner for us and their line of premium cannabis products aligns well with our brand."

### **VIVO Strategic Investment**

VIVO has agreed to acquire, through a wholly-owned subsidiary: (i) 187,500 Class A common shares in the capital of Friendly Stranger at a price of \$4.00 per share for an aggregate purchase price of \$750,000, and (ii) an unsecured convertible debenture of Friendly Stranger in the principal amount of \$500,000, for a total investment of \$1,250,000. The debenture will bear interest at the rate of 6.0% per annum, have a maturity date of June 19, 2021, and be convertible, at

the option of VIVO, into Class A common shares of Friendly Stranger at a conversion price of \$5.00 per share, subject to adjustment and certain limitations as provided in the debenture certificate.

VIVO and Friendly Stranger have also entered into a preferred partnership agreement pursuant to which, among other things, the parties have agreed to collaborate on obtaining Friendly Stranger's cannabis retail licence, conducting in-store events, and leveraging co-branding opportunities.

### **About Friendly Stranger Holdings Corp:**

Established in 1994, Friendly Stranger is Canada's most iconic cannabis culture shop and is widely revered for its friendly and knowledgeable service. In 2018, after an initial investment from Green Acre Capital, Friendly Stranger established Friendly Stranger Holdings Corp ("FSHC") and announced an expansion plan to open additional retail locations across the country. In 2019, FSHC acquired Happy Dayz and with this merger, FSHC now operates 10 retail locations in Ontario with over 200,000 customer visits per year. [www.friendlystranger.com](http://www.friendlystranger.com) [www.happy-dayz.ca](http://www.happy-dayz.ca) Instagram: [@the\\_friendly\\_stranger](https://www.instagram.com/the_friendly_stranger) @happy.dayz420 Twitter: [@friendlystranger](https://twitter.com/friendlystranger) @happy\_dayz Facebook: [Friendlystranger](https://www.facebook.com/Friendlystranger) [Happy.dayz.ca](http://Happy.dayz.ca)

### **About VIVO Cannabis™**

VIVO, based in Napanee, Ontario, is recognized for trusted, premium cannabis products and services. It holds production and sales licences from Health Canada and operates world-class indoor cultivation facilities with proprietary plant-growing technology at its Canna Farms facility in Hope, B.C., and at its Vanluven facility in Napanee, Ontario. VIVO has a collection of premium brands targeting unique customer segments, including Beacon Medical™, Fireside™, Canna Farms™ and Lumina™. The Company is significantly expanding its production capacity and distribution channels; growing its domestic medical cannabis platform, including Harvest Medicine, its patient-centric, highly scalable network of specialty medical cannabis clinics and services; promoting production and cultivation innovation and pursuing partnership and product development opportunities; and actively focusing on growth in select international markets, including Germany and Australia. VIVO has a healthy balance sheet and is well-positioned to accelerate its growth in Canada and internationally. For more information visit: [www.vivocannabis.com](http://www.vivocannabis.com)

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

## **ON BEHALF OF THE BOARD OF DIRECTORS**

**Barry Fishman**  
**CEO and Director**

### ***Disclaimer for Forward-Looking Statements***

*Statements regarding Friendly Stranger business, proposed use of proceeds of the financing and future goals are based solely on information provided by Friendly Stranger Holdings Corp. This news release contains forward-looking statements, including statements regarding the expected use of proceeds by Friendly Stranger, Friendly Stranger's proposed strategy to become a premium adult-use cannabis retailer, and VIVO's future opportunities outlook. The forward-looking statements contained in this news release are based on certain assumptions and involve known and unknown risks and uncertainties and other factors that could cause actual events to differ materially from current assumptions and expectations, including that: Friendly Stranger may be unable to obtain necessary regulatory approvals for, or to effectively operate, one or more cannabis retail stores; Friendly Stranger may not become a successful premium adult-use cannabis retailer; regulations may restrict or prohibit the supply of cannabis products by VIVO to Friendly Stranger or other proposed activities by VIVO and/or Friendly Stranger; cannabis marketing regulations may impede the execution of Friendly Stranger's retail strategy; and other factors beyond the Company's control. The forward-looking statements contained in this news release should not be read as guarantees of future performance or results. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are urged to consider these factors, and the more extensive risk factors included in the Company's annual information form for the year ended December 31, 2018 and its other continuous disclosure filings, which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned not to place undue reliance on these forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements in this news release are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.*

