

FSD Pharma

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FSD Pharma to exchange shares with Aura Health

FSD Pharma Inc (CSE:HUGE) (OTCMKTS:FSDDF) announced Wednesday that it has entered into a share exchange transaction with Toronto-based cannabis firm Aura Health Inc (OTCMKTS:LMLLF).

Specifically, Ontario-based FSD Pharma will exchange 13,181,019 of its common shares for 13,562,386 Aura shares valued at C\$3 million.

Aura Health is a Toronto-based cannabis company building an international network of vertically integrated businesses in the medical cannabis industry.

READ: FSD Pharma to acquire US specialty R&D pharma company Prismic Pharmaceuticals for US\$17.5M in stock

A consulting agreement is part of the deal under which Aura will help FSD secure euGMP certification at its existing licensed facility through Hamburg, Germany-based Pharmadrug Production GmbH. Aura is also in the process of acquiring an 80% stake in Pharmadrug.

Cannabis supplier to Pharmadrug

FSD Pharma expects to be a preferred but not sole cannabis supplier to Pharmadrug for the German market once this happens. Pharmadrug will initially commit to buying approximately 1,000 kilograms of Canadian produced cannabis from FSD Pharma at a price of C\$7 per gram provided the product is saleable in the German market.

Zeeshan Saeed, Founder and President of FSD commented,

"This agreement with Aura Health establishes a distribution channel for FSD in Germany and the Eurozone and allows the company to expand its footprint internationally," said FSD Pharma founder and president Zeeshan Saeed. "As production at our Cobourg facility grows and following receipt of our euGMP certification, we will be able to supply our high-quality cannabis products to the medical markets in Europe."

FSD Pharma is headquartered at the former Kraft plant in Cobourg, Ontario in a large facility that sits on 72 acres of land. It grows medical-grade cannabis at its 25,000 square foot facility in Ontario, with an additional 220,000 expected to be added by the end of 2019.

The company intends to target all legal aspects of the cannabis industry: cultivation, processing, manufacturing, extracts and research and development.

"This is an exciting opportunity for FSD Pharma to capitalize in the global medicinal cannabis space. The global market is expected to grow and remain undersupplied for some time," said FSD Pharma CEO Dr Raza Bokhari. "In collaboration with Aura Health, we see an opportunity to increase shareholder value by establishing channel partners in Germany and the Eurozone."

Price: 9.01

Market Cap: \$70.42 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: HUGE

Listing: CSE

52 week High Low
73.365 4.4

Sector: Cannabis

Website: fsdpharma.com

Company Synopsis:

FSD Pharma is a publicly traded company on the Canadian Securities Exchange under the symbol HUGE. The Company, through its wholly-owned subsidiary FV Pharma Inc. , holds an ACMPR license to cultivate cannabis under the Access to Cannabis for Medical Purposes Regulations (ACMPR).

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