



Redfund Signs Definitive Agreement with Sunshine State Tea Company

Plus Portfolio Company Updates

Vancouver, British Columbia, February 11th 2020 - Redfund Capital Corp. (CSE: LOAN) (Frankfurt:O3X4) (OTC: PNNRF) (Redfund Capital or the "Company") is pleased to announce the Company has signed the definitive agreement for an equity stake in the Sunshine State Tea Company ("SSTC"), based in Florida, USA.

Sunshine State Tea's main product line is tasty infused CBD tea that has been tested to reveal zero percent THC. There are 8 varieties of tea; 4 caffeinated blends and 4 herbal decaffeinated ones. Each 8 tea bundle box has a diverse selection of flavors with 10mg CBD in each tea bag. Sunshine State production is manufactured in Washington State. The tea bags are certified and tested at a third party approved lab facility to authenticate and analyze the milligrams of CBD in the individual bags.

These are the terms of the definitive option agreement signed on February 6, 2020 between Redfund Capital and the Sunshine State Tea Company which supersedes the letter of interest signed in November 2019 between the parties. The Company has agreed to purchase 18% of SSTC with consideration in common shares and has agreed to the valuation of Sunshine State Tea being CDN \$1,500,000. The share issuance allotment will reflect current market price at the time of issuance and have a 4 month hold period. The Company will allocate CDN \$500,000 in a promissory note towards the project within the first 3 years. Terms of the Note will be disclosed after the signing.

This transaction, which is expected to close shortly, is a non arms-length transaction in that Meris Kott, CEO of Redfund, is an insider of the other party. Redfund is relying on certain valuation and minority approval exemptions from MI 61 -101. Independent members of the board of Redfund have reviewed and approved the transaction.

A Few of Our Portfolio Company Updates from their Management:

Biominerals Pharma Corp. is reporting they are continuing to increase their revenues Stateside. At their Colorado subsidiary, they are processing CBD distillate free from THC from their organic hemp crop and manufacturing a branded product line under the Hempire Farms logo. www.hempirefarms.com

RxMM Health Capital Inc. is working with associated company, Clerisy Corporation, of New York, to launch their Alzheimer Defense Product. Its ALZ Defense Gelcaps have already been scientifically tested for Alzheimer Onset Prevention Support.

Wahupta Ventures Inc. is working hard to increase their revenues by building strategic alliances in the hemp-cbd marketplace and extraction sector. They are navigating the stringent due diligence process to the public markets and evaluating the timing for their listing to an approved public exchange.

Mary's Wellness Ltd. is working with Canadian licensed partners and regulators on their product approval for new lines of their infused beverages with the intent to bring to the Canadian marketplace, new and dynamic forms of their branded classic tea products for consumers. Virginia Vidal, CEO will be speaking on a panel at the O'Cannabiz conference in Toronto on Friday April 24, 2020.

“Redfund Capital has established the first tier of its investment client portfolio during its first fiscal year. The Company’s focus in 2020 will be in developing additional revenue streams with advisory services and joint venture partnerships. Additionally, we are pursuing meaningful acquisitions as part of a new aggressive M&A strategy. Our current loans are in good standing and we are looking forward to expanding our portfolio. This new relationship with Sunshine State Tea was designed to help position Redfund as a player in a well-defined, high-growth niche within the rapidly expanding non THC CBD and hemp sector,” said Meris Kott, CEO.

About Redfund Capital Corp.

Redfund provides debt and equity funding plus advisory services to mid-to-late stages of a target company’s development, or in technologies that are developed and validated by revenues. The present focus of the merchant bank is on medical cannabis, hemp and CBD-related, healthcare-related target companies.

For further information please visit www.redfundcapital.com

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Further information about the Company is available on www.SEDAR.com under the Company’s profile.

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