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**Choom Announces Strategic Acquisition of Phivida
Accelerating Digital Strategy & Strengthens its Balance Sheet**

- Transaction strengthens Choom’s leadership position in Canadian cannabis retail
- Choom poised for accelerated growth with omni-channel retail growth strategy
- Strategically timed to benefit from the continued Ontario retail rollout
- Compelling value-creation opportunity with defensible store portfolio in flagship locations
- Enhanced capital markets presence and balance sheet strength to fuel growth in 2020 and beyond
- Combines the strength of Choom and Phivida’s executive teams, national relationships and strategic shareholders with capabilities across retail, branding and digital analytics

VANCOUVER, BC, June 3, 2020 – Choom Holdings Inc. (“**Choom**”) (CSE: CHOO; OTCQB: CHOOF) and Phivida Holdings Inc. (“**Phivida**”) (CSE: VIDA) are pleased to announce that they have entered into a definitive arrangement agreement dated June 2, 2020 (the “**Arrangement Agreement**”) pursuant to which Choom will acquire all of the issued and outstanding common shares of Phivida (the “**Phivida Shares**”) in exchange for common shares of Choom (the “**Choom Shares**”) in an arm’s length all-share transaction valued at approximately \$7.3 million (the “**Transaction**”).

Under the terms of the Arrangement Agreement, Phivida shareholders will receive 0.72566 of a Choom Share in exchange for each Phivida Share held (the “**Exchange Ratio**”) based on \$0.082 per Phivida Share, representing a 10% premium to the 20-day volume weighted average price of the Phivida Shares ending June 2, 2020, and based on a 20-day volume weighted average price of the Choom Shares for the same period, being \$0.113 per Choom Share. Based on the closing price of the Phivida Shares on June 2, 2020, the Transaction results in an implied premium of approximately 20% per Phivida Share.

Upon completion of the Transaction, existing Choom and Phivida shareholders will hold approximately 78% and 22% of the pro forma company, respectively, on a fully diluted basis.

“The acquisition of Phivida will further Choom’s ability to deliver on our business plans and accelerate our growth initiatives, enabling our omni-channel strategy through enhanced digital capabilities, and an expanded brick-and-mortar presence across Canada,” said Corey Gillon, CEO of Choom. “The timing is ideal as we prepare to expand our retail footprint in Ontario, Canada’s largest market for cannabis sales, later this year, with several flagship locations already secured.”

David Moon CEO of Phivida, added: “Following an extensive evaluation of the Canadian cannabis market, we’re thrilled to partner with Choom and continue to execute on our digital growth strategy which will be complimentary to Choom’s brick and mortar retail store growth. By leveraging consumer data collected through our online websites and working with the Choom team to enhance in store analytics, we are well positioned to optimize our business for continued success.”

Strategic Rationale

The Transaction is expected to enhance Choom's strategy in becoming one of the dominant national retail players in the Canadian cannabis retail sector. More specifically, the Transaction is expected to:

- **Enhance Choom's Leadership Position in Cannabis Retail:** Leveraging Choom's current brick and mortar retail presence with Phivida's digital assets and branded product expertise, the combined company will benefit from a vertically integrated strategy focused on cannabis retail and consumer experiences.
- **Accelerate National Store-Roll out Program:** Upon completion of the Transaction, Choom will leverage Phivida's current assets, to accelerate the build-out of additional stores in Ontario and British Columbia. The combined company will further benefit from its deep relationships with prominent landlords to support future store growth at marquee locations.
- **Strengthen Choom's Digital Strategy & Analytics:** Choom will leverage Phivida's digital assets and capabilities to enhance growth and consumer experiences in its retail stores by utilizing Phivida's strong e-commerce solutions and content-rich marketing platforms.
- **Enhance Scale and Access to Capital:** The combined company will benefit from enhanced capital markets presence and a broader shareholder group with strengthened access to growth capital.
- **Bolster Management Team with Added Capabilities and Broader Stakeholders:** The combined company will have blue-chip retail and branded product capabilities, digital and online expertise, countrywide geographical representation, and an aligned entrepreneurial spirit committed to creating one of the dominant national cannabis retailers in Canada.

Transaction Summary

The Transaction will be effected by way of a court-approved plan of arrangement completed under the *Business Corporations Act* (British Columbia) and will require approval by at least 66 2/3% of the votes cast by the shareholders of Phivida at a special meeting of Phivida shareholders. In addition to shareholder approval, the Transaction is subject to applicable regulatory, court and stock exchange approvals and certain other closing conditions customary in transactions of this nature.

The Arrangement Agreement has been unanimously approved by the boards of directors of Choom and Phivida, and the Phivida board has recommended that Phivida shareholders vote in favour of the Transaction. A management information circular will be mailed to Phivida shareholders in connection with a meeting of Phivida shareholders to consider and approve the Transaction. The board of directors of Phivida has obtained a fairness opinion from Haywood Securities Inc. that, as of the date of the opinion, and subject to the assumptions, limitations, and qualifications on which such opinion is based, the consideration to be received by Phivida's shareholders pursuant to the Arrangement Agreement is fair, from a financial point of view, to the Phivida shareholders.

Directors and officers of Phivida as well as certain Phivida shareholders holding, in aggregate, approximately 31% of the issued and outstanding common shares of Phivida, have entered into support and voting agreements pursuant to which they have agreed to vote their Phivida Shares in favour of the Transaction.

The Arrangement Agreement includes customary provisions including reciprocal non-solicitation provisions, subject to the right of each of Choom and Phivida to accept a superior proposal in certain circumstances, with both Choom and Phivida having a seven business day right to match any such superior proposal for the other party. The Arrangement Agreement also provides for reciprocal termination fees of \$500,000 if the Transaction is terminated in certain specified circumstances, as well as a reciprocal payment of a \$250,000 expense reimbursement fee if the Transaction is terminated in certain other specified circumstances.

Upon completion of the Transaction, Choom's board of directors will be reconstituted to comprise three directors nominated by Choom and one director nominated by Phivida. A fifth director, mutually agreed upon by Phivida and Choom, will subsequently be added to the board.

None of the securities to be issued pursuant to the Arrangement Agreement have been or will be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and any securities issued in the Arrangement are anticipated to be issued in reliance upon the exemption from such registration requirements provided by Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Advisors and Counsel

BDO Transaction Advisory Services Inc. is acting as the exclusive financial advisor to Choom. Pushor Mitchell LLP is acting as legal counsel to Choom.

Hillcrest Merchant Partners Inc. is acting as the exclusive financial advisor to Phivida. Phivida received an independent fairness opinion from Haywood Securities Inc. Gowling WLG (Canada) LLP is acting as legal counsel to Phivida.

About Choom

Choom is a fast-expanding retail cannabis company who has established one of the largest store networks in Canada. The Choom brand is inspired by Hawaii's "Choom Gang" - a group of buddies in Honolulu during the 1970's who loved to smoke weed - or as the locals called it, "Choom". Evoking the spirit of the original Choom Gang, our brand caters to the Canadian market with the ethos of 'cultivating good times'. Choom is focused on delivering an elevated customer experience through our curated retail environments, offering a diversity of brands for Canadians across a national retail network. For more information, visit www.choom.ca.

About Phivida

Phivida Holdings Inc. is a CBD-centric holding group with assets in technology, publishing and consumer-packaged goods (CPG). Headquartered in Vancouver BC, with operations in San Diego, Toronto and Belgrade, Phivida produces a line of CBD-infused foods and beverages (OKI), and CBD topicals and supplements (VIDA+), in addition to managing and operating two CBD-related, online retail marketplaces under the brand names Bloomgroove and Wikala. Greencamp is Phivida's online publication and knowledge center on CBD sector news. For more information, visit www.phivida.com.

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Cautionary Note Regarding Forward-Looking Information

This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements or information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Choom, Phivida or their respective subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this news release. Statements containing forward-looking information include, but are not limited to, statements relating to our expectations with respect to: the timing and outcome of the Transaction; the anticipated benefits of the Transaction to the parties and their respective securityholders; and the impact of the Transaction on the parties’ respective businesses on a combined basis, and the anticipated growth of the combined company and how the Transaction are expected to enhance the parties’ respective future business plans.

In respect of the forward-looking information in this news release concerning the anticipated benefits and completion of the Transaction and the anticipated timing for completion of the Transaction, Choom and Phivida have provided such statements and information in reliance on certain assumptions that they believe are reasonable at this time, including assumptions as to the time required to prepare and mail security holder meeting materials; the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary regulatory, court and shareholder approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the closing of the Transaction; other expectations and assumptions concerning the Transaction. Although Choom and Phivida believe that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including; risks that the Arrangement will not close as anticipated or at all, risks that required shareholder, regulatory or other approvals will not be obtained or may be materially delayed, risks that the synergies expected as a result of the Transaction will not be realized as anticipated or at all, integration risks following completion of the Transaction, risks associated with general economic conditions, including adverse conditions resulting from the ongoing COVID-19 pandemic and the resulting government policies restricting mobility, assembly or contact with actual and potential customers and suppliers; future legislative and regulatory developments; inability to access sufficient capital on favourable terms or at all, and such other risks identified in Choom’s and Phivida’s most recent management’s discussions and analysis filed with Canadian securities regulators and which are available on Choom’s and Phivida’s respective issuer profile on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements included in this news release are made as of the date of this news release and Choom and Phivida do not undertake an obligation to publicly update such forward-looking information or forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable securities laws. There can be no assurance that the Transaction will occur, or that it will occur on the terms and conditions contemplated in this news release. The Transaction could be modified, restructured or terminated. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Completion of the Transaction is subject to a number of conditions, including but not limited to the approval of the Canadian Securities Exchange and the approval of shareholders of Phivida. The Transaction cannot close until the required shareholder, court and regulatory approval is obtained.

There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with a meeting of Phivida shareholders to consider the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. The Canadian Securities Exchange has in no way passed upon the merits of the Transaction, and has neither approved nor disapproved the contents of this news release.