



LIVEWELL CANADA CLOSURES ACQUISITION OF ACENZIA
Best-in-class partnership will advance LiveWell's CBD research and product strategy

OTTAWA, ONTARIO, April 2, 2019, LiveWell Canada Inc. ("**LiveWell**" or the "**Company**"), (CSE: LVWL), is pleased to announce that on March 29, 2019, it closed the acquisition of all issued and outstanding common shares of privately held Acenzia Inc., an advanced developer and manufacturer of natural health products and dietary supplements based in Tecumseh, Ontario. Pursuant to the terms of the agreement dated December 14, 2018, LiveWell and Acenzia agreed to a total purchase consideration of \$20 million which includes an \$8 million earn-out payment upon the attainment of certain financial targets in calendar 2019.

The acquisition, announced on October 5, 2018, is a key part of LiveWell's strategy to become a fully integrated global CBD life sciences company. LiveWell will leverage Acenzia's state-of-the-art manufacturing capabilities and distribution networks within the supplements markets to deliver health and wellness products to targeted consumer markets.

"Acenzia is a great strategic fit. But a major factor in our acquisition is the company's focus on science," said David Rendimonti, President and CEO of LiveWell. "We are a research-driven organization, and Acenzia's best-in-class, globally patented research model for developing and testing product efficacy in natural health products, and applying that to manufacturing the products, is simply revolutionary. No one else is doing this," Mr. Rendimonti added.

Acenzia's globally patented physiological research model will greatly advance the research being done on CBD and other cannabinoids for specific therapeutic uses. CBD dosing is another key area of discovery the Company will explore through Acenzia's research model, which involves the ethical testing of specially bred zebrafish.

Acenzia's co-founder, Indrajit Sinha, is a peer-reviewed, world-class scientist specializing in immunology, and initially developed the in-vivo research model for oncology applications, to test efficacy of cancer drugs and metastasis. Dr. Sinha recognized the potential of applying the model to natural health products to produce better results and improve batch-to-batch efficacy in the manufacturing process.

“In a natural health product, there might be 50 ingredients on the label. With this model, we can test and evaluate the ingredients rapidly, and then standardize and validate the inputs to ensure batch-batch efficacy,” Dr. Sinha explained.

The new division of LiveWell has been manufacturing products such as powders, sports drinks, functional foods and other therapeutics for client-partners such as Iovate Health Sciences International and others since 2011.

In March, Acentzia achieved GMP and GMP for Sport certifications by the NSF international standards body for the seventh consecutive year. It is one of a few Canadian manufacturers to attain this prestigious mark of quality, purity and safety controls. Acentzia’s 36,000-square-foot facility includes 20 pharmaceutical-grade clean rooms. It is also certified by Health Canada and is a USDA-Certified Organic Manufacturer and an FDA-registered facility.

Transaction Summary

The \$20 million purchase consideration remains consistent with the terms of the definitive agreement [as announced on December 19, 2018](#), with the shareholders accepting \$2 million promissory notes and \$18 million in common shares. The promissory notes carry a 10% annual interest rate and will mature on June 30, 2019.

In connection with this acquisition, LiveWell has issued 21,428,571 common shares at \$0.84 each to the shareholders of Acentzia of which 9,523,808 common shares were held in escrow subject to achieving a minimum Adjusted EBITDA target for 2019 as defined in the definitive agreement. In addition, a private lender of Acentzia Inc. elected to convert 50% of its \$750,000 loan or \$375,000 for LiveWell common shares at a price of \$0.84 each, for a total of 446,428 common shares.

A finder’s fee of \$70,000 was paid in conjunction with the Transaction.

About LiveWell

LiveWell is an innovative Canadian company focused on advanced research of CBD and other cannabinoids. Through state-of-the-art cultivation and manufacturing, LiveWell aims to cost-effectively extract and refine large quantities of hemp-derived CBD, better enabling it to develop, market and distribute wholesale and consumer products.

For more information, visit livewellcorp.com

Cautionary Note Regarding Forward-Looking Statements

This release includes forward-looking statements about the Company and its business. Often, but not always, forward-looking statements can be identified by the use of words such as “plan”, “continue”, “expect”, “schedule”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”,

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“proposed” and other similar words, or statements (including negative variations) that certain events or conditions “may” or “will” occur. Such statements are based on the current expectations of management. The forward-looking events and circumstances discussed in this release may not occur by certain specified dates or at all and could differ materially as a result of unknown and known risk factors and uncertainties affecting the Company. Further, the Company cautions that this foregoing list of material factors is not exhaustive, and readers are encouraged to read all Risk Factors disclosed in the Company’s Management Discussion & Analysis dated October 26, 2018.

The forward-looking information contained in this press release represents expectations of the Company as of the date of this press release and accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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