



## World-Class Acquires Controlling Interest in Pineapple Express Cannabis Delivery

**VANCOUVER, April 1, 2020 – World-Class Extractions Inc. (CSE: PUMP) (FRA:WCF) (OTCQB:WCEXF)** (the “**Company**” or “**World-Class**”), an innovation-driven company that deploys and manages purpose-built cannabis and hemp extraction and processing centres, is pleased to announce the signing of a definitive investment agreement (the “**Investment Agreement**”), dated effective March 27, 2020, outlining the terms and conditions with respect to an acquisition (the “**Acquisition**”) of Pineapple Express Delivery Inc., (“**Pineapple Express Delivery**” or “**PED**”), an arm’s length, privately held, Toronto-based company offering different types of legal delivery services (including same day and next day) to the cannabis sector in Canada. Pineapple Express Delivery’s financial results will be reported with World-Class on a consolidated basis.

Pineapple Express Delivery currently has several contracts in place with Licensed Producers (“**LP’s**”) for delivery within select provinces in Canada. Pineapple Express Delivery is targeting to become the delivery company of choice for Business-to-Consumer (“**B2C**”) and Business-to-Business (“**B2B**”) companies associated with medical and recreational cannabis, including all provincial organizations which manage cannabis distribution. Pineapple Express Delivery has also partnered with a US organization to assist in establishing joint ventures for distribution in California, Nevada, and Oregon in the near future.

Pineapple Express Delivery is experiencing significant growth in B2B and B2C deliveries having completed 7,916; 8,935; and 22,478 deliveries in January, February and March (estimate) 2020, respectively, resulting in revenues of \$131,179, \$154,962, \$347,897 in January, February and March (estimate) 2020 respectively, against gross margin of -12% (Jan), 12% (Feb) and 25% (March estimate) over the same period. Pineapple Express Delivery’s impressive revenue growth is demonstrated by March revenues being 265% of those in January as the company’s operations continue to ramp up to satisfy the current demand.

Pineapple Express Delivery is in the process of submitting its evidence package to Health Canada to obtain a ‘Sale for Medical Purposes’ license for its facility located in the Greater Toronto Area (“**GTA**”), with a population of 6 million people. This license gives Pineapple Express Delivery the ability to store inventory for other LPs at its licensed facility, by way of supply agreements. This allows Pineapple Express Delivery to leverage its facility in the GTA and offer same day delivery services to the patients of those LPs.

During these unfortunate times, while we live through the COVID-19 pandemic, Pineapple Express Delivery has seen a substantial increase in volume throughout the provinces in which it delivers medical and recreational cannabis. In response to a surge in volume from the recreational market in Ontario, Pineapple Express Delivery is in the process of increasing the number of delivery drivers from 104 currently to 200, in order to better support both patients and recreational consumers to receive their products safely, securely, and in a timely manner. Pineapple Express Delivery, currently one of the premiere, most used delivery services in Ontario, will continue to maintain its high standards of security and compliance for same day and next day parcels, even as it grows to meet each provincial need.



Pineapple Express Delivery benefits from a management team with over 10 years of experience offering same-day delivery services in multiple industries across Canada. Pineapple Express Delivery owns in-house proprietary software which offers a personalized experience for its customers and has established in-depth security and delivery protocols to facilitate same-day delivery of medical and recreational cannabis across Canada. Pineapple Express Delivery has been providing B2C and B2B delivery options to the legal cannabis industry since October 17, 2018 and has provincial offices set up across Canada.

Rosy Mondin, CEO of World-Class, remarked, "World-Class is very excited with its acquisition in Pineapple Express Delivery, a fast-growing cannabis delivery business with an impressive management team. With the unfortunate outbreak of COVID-19 and the cannabis sector deemed an 'essential' service in Ontario, the need for a legal, proven and reliable solution for cannabis delivery in Canada is evident now more than ever. This investment will allow us to participate in and capture Pineapple Express Delivery's potential growth on our future financial statements. Pineapple Express Delivery's strategic partnerships enable interprovincial deliveries across Canada, providing services for key industry clients and partners which we believe will create additional opportunities for World-Class in the future."

Randy Rolph, CEO and Founder of Pineapple Express Delivery stated, "This acquisition of a controlling interest represents a defining moment for Pineapple Express Delivery. Alongside our long-term supporter Namaste Technologies Inc., we are excited to welcome World-Class who believe in our vision and long-term goals of becoming the go to same day delivery and next day delivery company in Canada and the US. With this being said, World-Class brings a strong leadership team to achieve all these goals and help us grow to our full potential at a quicker rate. We have established ourselves as the clear leader in the B2C market and with World-Class' investment we will now be able to focus 100 percent on the growth of Pineapple Express Delivery and rapidly differentiate ourselves across the market. Our goal is to provide the whole cannabis industry with an exceptional safe, secure and compliant same day and next day service both in the B2C and B2B market."

### **Terms of the Acquisition**

Under the terms of the Acquisition, World-Class purchased a \$500,000 secured convertible debenture ("**Convertible Debentures**") from PED, convertible at the option of World-Class at \$0.15 per common share of PED. The Convertible Debentures have a two-year term and bear interest at 12% per annum, compounded monthly in advance. World-Class also purchased 8,333,333 units (the "**Units**") of PED, at a price of \$0.15 per Unit for aggregate gross proceeds of \$1,250,000. Each Unit consisting of one common share and one half of one share purchase warrant, with each full warrant exercisable at \$0.30 for a period of two years. The 8,333,333 common shares of PED held by World-Class represent approximately 21.55% of the current issued and outstanding share capital of PED, valuing PED at approximately \$5.8 million dollars.

As part of the Acquisition, PED utilized a portion of the financing proceeds to purchase 25,000,000 common shares of World-Class at a price of \$0.05 per share. These shares are subject to a statutory hold period expiring on August 1, 2020.



World-Class also acquired an option to acquire up to an additional 24,046,182 common shares (the “**Option**”) of PED from existing shareholders, in addition to any additional common shares of PED they acquire during the term of the Option.

The Option is exercisable during a 60-day period, starting two years from the closing of the Acquisition, based on a valuation of PED of one time its annualized revenue during the last quarter of the period. The exercise price per common share of PED is payable in common shares of World-Class, based on the 20-day Volume Weighted Average Price of World-Class’ share price prior to the end of the two-year period. World-Class also entered into a voting trust with the optionors, entitling World-Class to vote such shares for a period of two years.

Upon satisfaction of certain other conditions, including the restructuring of certain of PED’s debt, World-Class has agreed to purchase an additional \$500,000 in Convertible Debentures of PED under the same terms and conditions described above.

Assuming the conversion of the Convertible Debentures and exercise of the Option by World-Class, the Company would hold 39,046,182 common shares of PED representing approximately 86.1% of the then issued and outstanding share capital of PED.

The Convertible Debentures will rank pari-passu with PED’s existing secured debt. Subject to certain conditions, the current holder of secured debt of PED has agreed, on the maturity of such debt, to assign the debt to World-Class in exchange for common shares of World-Class based on the 20-day Volume Weighted Average Price of World-Class’ share price, calculated on the maturity date of the secured debt.

### **About World-Class Extractions Inc.**

World-Class develops, deploys and manages custom-built extraction centers for licensed cannabis and hemp processors. Utilizing its custom technology and processes, World-Class enables its licensed partners to efficiently produce high-margin cannabis and hemp concentrates and oils. Through its relationships with licensed partners, World-Class also has the ability to offer toll processing of cannabis and hemp to licensed third parties that lack the expertise and equipment required to produce high-quality cannabis and hemp concentrates and end-products. With over half of a decade spent in research and development, the Company allows licensed producers to access the technology required to create value-added products in the expanding concentrate market.

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### **About Pineapple Express Delivery Inc.**

The Pineapple Express Delivery management team has over 10 years of experience offering same-day 60-minute delivery services in multiple industries across Canada with a record breaking 40,000 deliveries per month. Pineapple Express Delivery offers a personalized experience for its customers and has established in depth security and delivery protocols to facilitate same-day delivery of medical and recreational cannabis across the country. Pineapple Express Delivery has been providing a same day delivery option to the legal Cannabis Industry from October 17th, 2018 and has provincial offices set up across Canada. For more information regarding Pineapple Express Delivery, please visit [www.pineappledeliveryexpress.com](http://www.pineappledeliveryexpress.com).

Neither the Canadian Securities Exchange nor its Regulation Service Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this press release, which has been prepared by management of the Company.

### **Cautionary Note Regarding Forward-Looking Statements**

*All statements in this press release, other than statements of historical fact, are "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995, including statements related to the capture of revenue with operational margins on our income statement, successful deployment of the Company's cannabis and hemp processing centres, the ability of the Company to generate revenue from such processing centres, and the ability of its partners to produce high-margin cannabis products. The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited to those identified and reported in the Company's public filings under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.*