



Alternate Health CEO Updates Shareholders on Spinoff Plans

SAN ANTONIO, TX, May 10, 2018 /CNW/ - Alternate Health Corp., ("Alternate Health") (CSE:AHG) (OTCQB:AHGIF), an international leader in software solutions for the medical cannabis industry, updated shareholders today on the Company's spinoff plans and key milestones for the upcoming quarters.

"The Company has been very active this year adjusting our business for revenue generation and growth, including developing our potential spinoff plan for Alternate Health's non-cannabis assets," says Dr. Michael Murphy, Chairman and CEO of Alternate Health. "We are excited about this plan, but we want to assure our shareholders that we will only act on this plan when the right conditions are met across the business."

Management has received Board approval to explore a spinoff plan for the Company's non-cannabis assets, it is estimated to take at least three to four months to complete this due diligence process. In the meantime, there are at least four key milestones Alternate Health plans to meet before acting, including:

1. Laboratory referrals back above 10,000 samples per month and growing.
2. Our payment engine for non-cannabis transactions has at least 2 contracts with testing and implementation underway.
3. Cannabis payment engine fully integrated to the CanaPass/StatePass system and revenue has started.
4. Recreational cannabis sales have started with a good business plan and prospects for future growth.

Should the above criteria be met, and final decision made, the Board expects to seek shareholder approval and that all shareholders would receive their pro rata share of ownership in both companies, on a 1:1 ratio. Tax implications must also be considered prior to a final decision being taken.

Alternate Health's focus continues to be on maintaining shareholder value, therefore:

- Only equity dilution to be based on any capital raise associated with the Newco offering.
- Part of any newly raised capital would be used to hire management to oversee and expand each new primary division in the company.

No decision has been made on the final division of company assets between the NewCo and Alternate Health. In particular, Alternate Health is exploring different options for the Company's laboratory business. The Lab could move to the non-cannabis NewCo or stay in Alternate Health. Another option could see the Lab move to the NewCo and pay a long-term royalty to Alternate Health.

"We believe the proposed spinoff of the Company's non-cannabis assets is the best plan to maximize the value and revenue potential of the Company's assets," says Dr. Murphy. "The Board will be busy performing our due diligence and will update shareholders in time."

Independent Director Resigns

The Company also announces a change to Alternate Health's Board of Directors. Kristin Taylor has tendered her resignation as an independent director to focus on her full-time career obligations. On behalf of the Board of Directors, Alternate Health's Chairman and CEO, Dr. Michael Murphy, would like to thank Kristin Taylor for her support and service to the Company. The Company is actively looking for an independent director to fill Ms. Taylor's seat on the Board, and will do so in the near future.

About Alternate Health

Alternate Health Corp. (CSE: AHG, OTCQB: AHGIF) Alternate Health has established multiple arms-length operations within the medical cannabis industry, each of which drives consumers, data and strategic opportunities to the company's other verticals. This sophisticated cross-integration of the company's enterprises has positioned Alternate Health as one of the only cannabis companies that delivers consistent revenue and intellectual property without growing, manufacturing or distributing the cannabis plant. Through its software solutions, data analytics, and patented delivery systems, Alternate Health's goal is to be the global authority on scientific and clinical support for cannabis in regulated markets. Alternate Health is well positioned to reinvest internal operating cash flow in its platform over the long term, creating an attractive investment profile for its shareholders.

Alternate Health resides in the cannabis sector along with companies like GW Pharmaceuticals, AXIM Biotechnologies Inc., Canopy Growth Corporation, and Aphria Inc. Alternate Health is differentiated from other cannabis companies by its focus on ancillary services for patients, healthcare professionals and regulatory providers rather than selling a commodity. For more information about Alternate Health Corp., visit www.alternatehealth.com.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release. Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as "forward-looking statements". Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations, business prospects, financing plans and spin off plans, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.

 View original content with multimedia: <http://www.prnewswire.com/news-releases/alternate-health-ceo-updates-shareholders-on-spinoff-plans-300646326.html>

SOURCE Alternate Health Corp.

View original content with multimedia:
<http://www.newswire.ca/en/releases/archive/May2018/10/c7859.html>

%SEDAR: 00037135E

For further information: Investor Relations Contact: Nancy Goertzen, CPIR, 1.604.512.7122 | n.goertzen@alternatehealth.ca; Jim Griffiths, Director, 1.416.607.5757 | j.griffiths@alternatehealth.ca

CO: Alternate Health Corp.

CNW 09:00e 10-MAY-18