

PUF Ventures Announces Plan of Arrangement with Vapetronix Holdings Inc.

VANCOUVER, Sept. 7, 2017 /CNW/ - **PUF Ventures Inc.** ("**PUF**" or the "**Company**") (CSE: PUF) (Frankfurt: PU3) (OTCPK: PUFXF), announces that it intends to spin out its WeedBeacon proprietary technology, current app developments, databases, graphics, brochures and other marketing materials and liabilities (the "**Assets**") into its wholly-owned subsidiary, Vapetronix Holdings Inc. ("**Spinco**") by way of a plan of arrangement (the "**Arrangement**") pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia).

The purpose of the Arrangement is to allow the Company to divest itself of the Assets to Spinco, enabling PUF to focus on the grow side of medical cannabis with a particular emphasis to growing cannabis for its joint venture partnership with Canopy Growth Corp. (TSX: WEED), under CraftGrow.

The Arrangement will be subject to the approval of the Supreme Court of British Columbia, as well as approval by the PUF shareholders at an annual general and special meeting to be held on Friday, November 24, 2017 (the "**Meeting**"). Pursuant to the Arrangement, PUF will distribute 100% of the common shares of Spinco (the "**Spinco Shares**") it receives to the PUF shareholders on a pro rata basis. The PUF shareholders will be entitled to receive one Spinco Share in exchange for every seven (7) common shares of PUF held as at October 4, 2017 (the "**Record Date**"). There will be no change in shareholders' holdings in PUF as a result of the Arrangement. No outstanding warrants or options of PUF will be transferred over to Spinco.

Following completion of the Arrangement, (i) Spinco will hold the Assets transferred to it by PUF, (ii) Spinco will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, and intends to list for trading on the Canadian Securities Exchange, (iii) each PUF shareholder will continue to be a PUF shareholder, (iv) all the PUF shareholders will have become shareholders of Spinco, and (v) PUF will retain its working capital for its Assets, and remain listed on the Canadian Securities Exchange and will continue to trade under the trading symbol, PUF, as a consumer products – biotechnology/pharmaceuticals company.

Details of the proposed Arrangement will be provided in a Management Information Circular that will be mailed to all the PUF shareholders as at the Record Date. At the Meeting, the PUF shareholders will be asked to vote on a special resolution approving the Arrangement. The PUF shareholders of record as at the Record Date of October 4, 2017 will be eligible to vote on the Arrangement.

The effective date of the Arrangement is expected to be in December 2017. A further press release will be issued by the Company with additional details regarding the Arrangement and when the exact effective date is known.

"For this proposed spin-off, I have assembled a special team of seasoned business technology professionals to carry on the development of WeedBeacon and other related cannabis related technology assets to the benefit of our current shareholder base," said Derek Ivany, President and CEO of the Company. "PUF has continued to deliver value to shareholders as we navigate through the rigorous process of licensing with Health Canada by being a diversified company. I believe now is the time to maximize the value of these technology assets by deploying a strategically focused technology team that will maximize their decades of experience to making this new company a tremendous success. Over the course of the next business week, details pertaining to the objectives of the proposed spin-off will be released. This will include the introduction of our seasoned executive team, company mission statement, and overall objective as we propel this spin-co into the medical marijuana technology space."

About PUF Ventures Inc.

PUF Ventures Inc. owns a majority interest in AAA Heidelberg Inc., a private Ontario company that is an advanced applicant for an ACMPR license from Health Canada. The Company has an option to acquire the balance of shares to own 100% of AAA Heidelberg Inc. upon receipt of the ACMPR license. Through an exclusive joint venture agreement with Canopy Growth Corp., the Company will join CraftGrow, a collection of high-quality cannabis grown by a select and diverse set of producers, made available through the Tweed Main Street website. While it cannot guarantee nor estimate the timing of the issuance of a license to AAA Heidelberg Inc. it is management's goal to become a leading supplier of medical marijuana in Canada.

Vapetronix Holdings Inc., a wholly-owned subsidiary of the Company, is in the process of developing Weedbeacon, and expanding its 1313 brand of electronic cigarettes, marijuana vape delivery devices and associated technologies. For more information visit: www.puf.ca.

ON BEHALF OF THE BOARD OF DIRECTORS

Derek Ivany
President & CEO

No stock exchange or securities regulatory authority has reviewed or accepted responsibility for the adequacy or accuracy of this release.

Some of the statements contained in this release are forward-looking statements, such as estimates and statements that describe the Issuer's future plans, objectives or goals, including words to the effect that the Issuer or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties.

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CNW 08:00e 07-SEP-17