



## **QUADRON CANNATECH ANNOUNCES CAD\$5 MILLION BOUGHT DEAL FINANCING**

Vancouver, British Columbia, January 3, 2018 – Quadron Cannatech Corporation (the "**Company**" or "**Quadron**") – (CSE: QCC), is pleased to announce that it has entered into a letter of engagement with PI Financial Corp. ("**PI**") as sole lead underwriter, pursuant to which PI has agreed to purchase for re-sale 7,142,858 units of the Company (the "**Units**") at a price of CAD\$0.70 per Unit, for total gross proceeds of CAD\$5,000,000 (the "**Offering**"). Each Unit consists of one common share ("**Common Share**") and one common share purchase warrant ("**Warrant**"). Each Warrant is exercisable into one common share ("**Warrant Share**") at a price of CAD\$0.83 per Warrant Share, for a period of 24 months following the closing date of the Offering, subject to accelerated expiry in the event that the Company's common shares close at a price of CAD\$1.50 or higher for 10 consecutive trading days, following the expiry of applicable hold periods.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the Company and its management, as well as financial statements.

The Company has agreed to pay a cash commission of 6% and to issue 428,571 Broker warrants on closing. Each Broker warrant will be exercisable at CAD\$0.70 for a period of one year and exercisable into one Unit of the Company, having the same terms as the Units issued pursuant to the Offering.

The Company intends to use the net proceeds of the Offering for general corporate purposes, to accelerate the manufacturing of extraction equipment for resale and for the purchase of ancillary products for resale.

Rosy Mondin, President and CEO of Quadron stated, "Investor interest in this current financing further confirms the growing awareness and demand for cannabis extracts and extract-based products. Our team has identified an extremely large-scale market requiring modernized, more efficient and automated processes in the extraction business. Quadron's recently unveiled BOSS C02 Extraction System is the most cutting edge C02 extractor available in the market, highlighted by its simplicity and plug and play design. This financing should allow us to build out and deliver on the BOSS purchase orders as well as expedite our design and manufacturing of additional equipment to satisfy the demands of our clients who require cannabis extraction and processing laboratories."

The closing date of the Offering is scheduled to be on or about January 25, 2018 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Canadian Securities Exchange and the applicable securities regulatory authorities. The Units will be sold in the Provinces of British Columbia, Alberta, Ontario and such other jurisdictions as may be agreed to by the Company and PI on a private placement basis to

accredited investors pursuant to the "accredited investor" exemption or other available and agreed upon exemptions from prospectus requirements. The Units, including all underlying securities thereof, will have a hold period of four months and one day from the date of issue.

**About Quadron:** Quadron focuses on ancillary equipment, products and services for the authorized cannabis industry, providing automated extraction and processing solutions, and sales of end user delivery solutions such as vape pens, capsules and other safer consumption solutions for patients.

For more information, visit: [www.quadroncannatech.com](http://www.quadroncannatech.com)

On behalf of the Board of Directors of  
**QUADRON CANNATECH CORPORATION**

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*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, including with respect to the scheduled closing date of the Offering and the intended use of the proceeds of the Offering, 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 and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.*