

Olive Resource Capital Completes Acquisition of C\$2.5M Portfolio of Assets

02.08.2022 | [Newsfile](#)

Toronto, August 2, 2022 - [Olive Resource Capital Inc.](#) (TSXV: OC) ("Olive" or the "Company") is pleased to announce that it has closed the previously announced asset purchase agreement (the "Purchase Agreement") to acquire a portfolio of assets from CannalIncome Fund Corporation ("CiF"). The portfolio consists of public equities, private equities, debt, convertible debt and warrants, having a deemed value of C\$2,525,258.60. Olive is issuing 30,254,247 common shares (each a "Common Share") in consideration for the assets, representing a deemed issue price of \$0.0835 per Common Share. As per the Purchase Agreement entered into with CiF, the number of shares issued and portfolio value have been adjusted from the previously announced figures to reflect relative changes in Olive's Net Asset Value ("NAV") per share and in CiF's portfolio.

Derek Macpherson, Executive Chairman and Director, stated, "We are pleased to complete the acquisition of the CiF portfolio, this is a first step to increasing our asset base. In particular, we are pleased with the non-dilutive nature of this NAV-to-NAV transaction, which we plan to use as a template for future acquisitions."

Samuel Pelaez, President, CEO, CIO, and Director, stated, "We are adding quality assets to our portfolio, and reducing the portfolio weight of our largest holdings. We are achieving a greater diversification of our assets, and retaining exposure to near-term catalysts, both for the legacy assets and for some of the assets acquired."

Updated Portfolio Construction

Figure 1: Breakdown of Olive's Better Diversified Portfolio Following the Acquisition

To view an enhanced version of Figure 1, please visit:

https://images.newsfilecorp.com/files/3478/132524_8aa6c665b4e1c859_001full.jpg

Figure 2: Olive's Portfolio Remains >70% Resource Focused with Anticipated Near-Term Liquidity Opportunities in some Non-Resource Investments

To view an enhanced version of Figure 2, please visit:

https://images.newsfilecorp.com/files/3478/132524_8aa6c665b4e1c859_002full.jpg

Figure 3: Olive's Portfolio Now Contains Interest Bearing Securities

To view an enhanced version of Figure 3, please visit:

https://images.newsfilecorp.com/files/3478/132524_8aa6c665b4e1c859_003full.jpg

Assets Acquired:

The assets acquired are a combination of public and private equities, including common shares and common

share purchase warrants, convertible debentures and debt instruments. The portfolio acquired includes the following significant assets:

Black Sheep Income Corp. - 6.5% Convertible Debenture maturing April 27, 2023. Black Sheep Income Corp is a private B.C. company with self-storage and RV assets. It currently operates a Penticton self-storage site, and a Nanaimo RV and self-storage site which it is redeveloping. Black Sheep has recently acquired an operating campground in Alberta, and another in Canal Flats, BC which the company is redeveloping. The debenture converts at \$0.65 per Black Sheep share and interest is payable in shares or cash at maturity. Olive is the largest convertible note holder of Black Sheep Income Corp. The value ascribed to this debenture is based on its face value plus accrued interest.

The Newly Institute Inc. -Common Shares and Warrants. The Newly Institute is a privately held company building and operating a network of medically-managed intensive outpatient clinics across Canada. Newly provides cutting edge mental health, addiction, and pain treatments for veterans, first responders, and all who are suffering. Newly focuses on addressing the root causes of mental health and addiction. The value ascribed to the Newly shares and warrants is based on Newly's recent private equity raise at C\$1.00 per share.

Guided Therapeutics, Inc. (OTCQB: GTHP) - 10% Convertible Debenture maturing May 17, 2024 and Common Shares. Guided Therapeutics is a medical technology company focused on developing medical devices. Guided Therapeutics is focused on selling and marketing its LuViva advanced cervical scan non-invasive cervical cancer detection device. It is understood that Guided Therapeutics is working towards an up listing to a major U.S. exchange, which would be an event triggering the conversion of the debenture. The debenture currently converts at US\$0.50 per Guided Therapeutics share and interest is payable in cash or shares at maturity. The value ascribed to this debenture is based on its face value plus accrued interest.

Other assets acquired include common shares and warrants in the following public companies; [Canadian Premium Sand Inc.](#) (TSXV: CPS), TAG Oil Ltd. (TSXV: TAO), [Gold79 Mines Ltd.](#) (TSXV: AUU) and Radio Fuels Energy Corp. (CSE: CAKE). Additionally, Olive is acquiring beneficial interest in a debt instrument, along with common shares, common share purchase warrants, and convertible debentures in private companies including but not limited to MAACKK Capital Corp., and Everyday People Financial Corp.

Among the assets are 1,709,000 common shares and 2,287,500 common share purchase warrants of [Gold79 Mines Ltd.](#) (TSXV: AUU). Derek Macpherson, Executive Chairman and a Director of Olive Resource Capital is the President, CEO, and a Director of [Gold79 Mines Ltd.](#)

Transaction Details

Olive is issuing 30,254,247 Common Shares in consideration for assets having a value of C\$2,525,258.60, representing a deemed issue price of \$0.0835 per Common Share.

As per the adjustment provisions in Purchase Agreement, the value of the CiF assets being acquired increased from C\$2,459,122.70 to C\$2,525,258.60 since the date on which the Purchase Agreement was signed, being May 17, 2022. The C\$2,525,258.60 value determined for the CiF assets that were acquired was based on arm's length negotiations between the parties based on observable metrics (e.g. share price for public equities or face value plus accrued interest for convertible debentures) with some adjustments based on multiple factors including liquidity and the quality of the underlying assets.

As a result of the adjustment provisions in the Purchase Agreement, the number of Common Shares to be issued to CiF increased from 25,831,231 to 30,254,247 based on an increase in value of the acquired assets and a decrease in Olive's unaudited NAV per share, resulting in a deemed price of C\$0.0835 per Common Share which was down from the initial C\$0.095 per Common Share previously disclosed. The transaction remains subject to final approval by the TSX Venture Exchange.

The Common Shares being issued to CiF in this transaction are being distributed immediately by CiF to its securityholders in connection with CiF's winding-up.

Use of Non-GAAP Financial Measures:

This press release contains references to NAV or "net asset value per share" which is a non-GAAP financial measure. NAV is calculated as the value of total assets less the value of total liabilities divided by the total number of common shares outstanding as at a specific date. The term NAV does not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. There is no comparable GAAP financial measure presented in the Company's consolidated financial statements and thus no applicable quantitative reconciliation for such non-GAAP financial measure. The Company believes that the measure provides information useful to its shareholders in understanding the Company's performance, and may assist in the evaluation of the Company's business relative to that of its peers. This data is furnished to provide additional information and does not have any standardized meaning prescribed by GAAP. Accordingly, it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP, and is not necessarily indicative of other metrics presented in accordance with GAAP. Existing NAV of the Company is not necessarily predictive of the Company's future performance or the NAV of the Company as at any future date.

About Olive Resource Capital Inc. (formerly Norvista Capital Corp):

Olive is a resource-focused merchant bank and investment company with a portfolio of publicly listed and private securities. The Company's assets consist primarily of investments in natural resource companies in all stages of development.

For further information, please contact:

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This news release includes forward-looking statements that are subject to risks and uncertainties. Forward-looking statements involve known and unknown risks, uncertainties, and other factors that could cause the actual results of Olive to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. All statements contained in this news release, other than statements of historical fact, are to be considered forward-looking. Although Olive believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to: past success or achievement does not guarantee future success; negative investment performance; downward market fluctuations; downward fluctuations in commodity prices and changes in the prices of commodities in general; uncertainties relating to the availability and costs of financing needed in the future; interest rate and exchange rate fluctuations; changes in economic and political conditions that could negatively affect certain

commodity prices; an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains; and those risks set out in the Company's public documents filed on SEDAR. Accordingly, readers should not place undue reliance on forward-looking information. Olive does not undertake to update any forward-looking information except in accordance with applicable securities laws.

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