

Regulatory Story



[Spinnaker Opportunities PLC](#) - SOP - Subscription and Update on Medicinal Cannabis RTO
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Spinnaker Opportunities plc

("Spinnaker" or the "Company")

Subscription and Update on Medicinal Cannabis RTO

Further to the announcement made on 10 February, Spinnaker has agreed to advance a further loan tranche of £100,000 to Kanabo Research Ltd ("**Kanabo**") under the terms of the existing Loan Facility Agreement to enable Kanabo to continue to execute its 2020 business plan to grow sales and invest in future development.

The loan tranche is being funded by way of a subscription for loan notes in the amount of £125,000 by existing investors including £50,000 from Mr Tony Harpur, a director of Spinnaker.

Commenting on the developments, Andy Morrison, Chairman of Spinnaker said:

"We are pleased to be in a position to continue to support Kanabo in the development of the business that we expect to bring to market shortly. It is particularly pleasing to see the willingness of investors to assist and support the business in this important period. We continue to work to deliver this acquisition to shareholders as soon as possible and will keep you updated on our progress."

Avihu Tamir, Founder and CEO of Kanabo Research Limited, commented:

"We are delighted to have received this additional financial support from Spinnaker as we work towards publishing a prospectus. Kanabo is well positioned to be a first mover in the European medical cannabis market and we look forward to taking full advantage of this upon completion of the transaction."

Kanabo Business Update

Kanabo is a R&D company based in Israel which is focused on developing a range of innovative vaporisation, medical cannabis and CBD products for consumers. Kanabo is currently focused on establishing sales for its CBD product range

in the UK and Germany, whilst continuing to conduct R&D work in the development of its medical cannabis products in Israel.

Subscription Terms

The loan notes will convert into 2,500,000 shares ("**Subscription Shares**") at a conversion price of 5p per share on the date on which the Company's shares are re-admitted to trading and the investors shall be entitled to receive one warrant for every two Subscription Shares issued ("**Warrants**"). The Warrants will be issued at a strike price of 5p and with validity of 3 years from the date of re-admission.

Loan Terms

The terms of the additional loan tranche are based on those of the Loan Facility Agreement originally set out in the announcement of 2 December 2019 and now amended and restated to allow for additional funding up to an aggregate amount of £200,000 (including this tranche). The loan is secured against the intellectual property and other assets of Kanabo. The term of the loan is for a maximum of 18 months from date of advance, with an interest rate of 6.0% per annum. Spinnaker shall consider making further advances to Kanabo under the Loan Facility Agreement.

The full terms of the Proposed Acquisition are expected to be set out in a prospectus to be published in due course.

For further information, please visit <http://www.spinnakeropportunities.uk/> or contact the following:

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Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

Notes to Editors

Kanabo is an Israel based company, that believes that by creating a holistic ecosystem that works together in synergy, it can create a new standard in the medical Cannabis industry and improve the well-being of millions around the world. Kanabo focuses on the distribution of Cannabis-derived products for medical patients, and THC-free CBD products for consumers. Kanabo has conducted extensive R&D in order to develop high-quality Cannabis extract formulas, innovative medical-grade vaporizers, and various non-smoking consumption solutions - making it easy and accessible for anyone in need of treatment. Clinical and validation activities, including safety and efficiency tests, are conducted in the company's research centre in Israel - an established leader in the Cannabis industry.

Kanabo is currently undertaking a pilot sales scheme to measure key performance indicators in relation to the sale of its non-THC products. It is ready to scale up to meet market demands and projected sales and revenues and to grow the Kanabo brand through its marketing initiatives.

Kanabo's future long-term strategy involves continued research and development activities to develop a range of Unlicensed Medical Cannabis Oils, which will be sold alongside its vaporisation device, the VapePod Medical. It is intended that medicinal products will be sold as unlicensed medicines in the UK and Germany.

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