



**CAVA HEALTHCARE INC.**  
**PRESS RELEASE**

**CAVA HEALTHCARE ANNOUNCES SHARE CONSOLIDATION AND  
ANNOUNCES \$250,000 PRIVATE PLACEMENT**

*Not for distribution to United States newswire services or for release, publication, distribution or dissemination directly, or indirectly, in whole or in part, in or into the United States.*

**Vancouver, British Columbia, December 24, 2019** – Cava Healthcare Inc. (“Cava” or the “Company”) announces that its board of directors (the “Board”) has approved the consolidation of the issued and outstanding common shares in its capital (each, a “Share”) on the basis of one (1) post-consolidation Share for every twenty (20) pre-consolidation Shares (the “Consolidation”). The Company anticipates that the Shares will begin trading on a post-Consolidation basis at market open on December 27, 2019.

The Board believes that the Consolidation will provide the Company with greater flexibility for the continued development of its business and the growth of the Company, including possible financing arrangements.

As at the date hereof, the Company has an aggregate of 31,136,230 Shares issued and outstanding. The Consolidation would result in the Company having an aggregate of approximately 1,556,812 Shares issued and outstanding, on a non-diluted basis. The exercise price and number of Shares of the Company issuable upon the exercise of outstanding warrants will be proportionately adjusted to reflect the Consolidation in accordance with the terms of such warrants. The Company's new CUSIP number and ISIN for the Shares will be 149491201 and CA1494912019, respectively. The Company will not be changing its name in connection with the Consolidation.

No fractional Shares will be issued as a result of the Consolidation. Any fractional Shares resulting from the Consolidation will either be (i) rounded up to the next whole Share if such fractional Share is equal to or greater than one-half of a Share; or (ii) rounded down to the next whole Share if such fractional Share is less than one-half of a Share. No cash consideration will be paid in respect of fractional Shares.

A letter of transmittal with respect to the Consolidation will be mailed to the registered shareholders of the Company by TSX Trust Company, the transfer agent for the Shares, describing the process by which shareholders may obtain new certificates representing their post-Consolidation Shares. Shares held in uncertificated form by non-registered shareholders through brokerage accounts will be converted through each shareholder's brokerage accounts. Non-registered shareholders should consult their broker for further information.

### **Private Placement**

Cava also announces that, due to market conditions and the Consolidation, it has terminated the remaining tranche of its previously announced private placement of units (see news releases dated July 10, 2019 and October 11, 2019), and announces a new non-brokered private placement of up to 1,000,000 units of the Company (the “Units”) at a price of \$0.25 per Unit, on a post-Consolidation basis, for gross proceeds of up to \$250,000 (the “Financing”). Each Unit will consist of one post-Consolidation Share and one common share purchase warrant (each, a “Warrant”), with each Warrant entitling the holder thereof to purchase one additional Share at a price of \$0.40 per Share, on a post-Consolidation basis, for a period of 12 months from the closing of the Financing (the “Closing Date”). If the closing price of the Shares on the Canadian Securities Exchange (or such other stock exchange where the majority of the trading volume for the Shares occurs) is equal to or exceeds \$0.50 per Share, on a post-Consolidation basis, for a minimum of 10 consecutive trading days commencing 4 months and one day after the Closing Date, then the Company may accelerate the expiry of the Warrants by providing written notice to the Warrant holders to exercise their Warrants within 30 days of the date of such notice, failing which the Warrants will expire.

Securities issued by the Company pursuant to the Financing will be subject to a four month and one day hold period in Canada commencing on the Closing Date.

The net proceeds from the Financing will be used for general working capital, product development and distribution.

None of the foregoing securities have been and will not be registered under the United States *Securities Act of 1933*, as amended (the “1933 Act”) or any applicable state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act) or persons in the United States absent registration or an applicable exemption from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the foregoing securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

For further information, please contact Brian Kauffman at [info@cavahealthcare.ca](mailto:info@cavahealthcare.ca) or **(604) 370-1757**.

### **On Behalf of the Board of Directors**

**Peter Field**

CEO and President

## **CAVA IS FOCUSED ON ENHANCING OPTIMAL HEALTH BY PREDICTING, PREVENTING AND ALLEVIATING DISEASE**

Chronic and acute inflammation and poor immune function are at the core of developing disease. Cava is addressing this unmet healthcare challenge through isolation and characterization of novel compounds from medicinal plant extraction, creation of novel biomarkers for disease, and application of cutting-edge technologies to reverse inflammation and restore immune function to achieve optimal health.

### **Cautionary Note Regarding Forward-Looking Statements**

*This press release contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and U.S. securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements in this press release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, the expected effective date of the Consolidation and the expected issued and outstanding Shares after the completion of the Consolidation, statements related to the completion of the Financing and the use of the proceeds therefrom, and the Company's prospect of success in executing its proposed plans. Often, but not always, forward-looking statements can be identified by words such as “will”, “plans”, “expects”, “may”, “intends”, “anticipates”, “believes”, “proposes” or variations of such words including negative variations thereof and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements are based on certain assumptions regarding the Company, including, without limitation, investor interest in the Financing, that management and directors will be able to complete the Consolidation and the Financing, expected growth, results of operations, performance, industry trends and growth opportunities. Actual results could differ from those projected in any forward-looking statements due to numerous factors including, risks and uncertainties relating to the inability of the Company, to, among other things, obtain any required governmental, regulatory or stock exchange approvals, permits, consents or authorizations required, execute its proposed business plans, and obtain the financing required to carry out its planned future activities. Other factors such as general economic, market or business conditions or changes in laws, regulations and policies affecting the Company's industries may also adversely affect the future results or performance of the Company. These forward-looking statements are made as of the date of this press release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements. Although the Company believes that the statements, beliefs, plans, expectations, intentions and assumptions contained in this press release are reasonable, there can be no assurance that those statements, beliefs, plans, expectations intentions or assumptions will prove to be accurate. Readers should consider all of the information set forth herein and should also refer to other periodic reports provided by the Company from time-to-time. These reports and the Company's filings are available at [www.sedar.com](http://www.sedar.com).*

*Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements.*