



Choom Holdings Inc. Completes Acquisition of Phivida Holdings Inc.

Vancouver, British Columbia and San Diego, California—(September 16, 2020) – Choom Holdings Inc. (CSE: CHOO; OTCQB: CHOOF) (“**Choom**”) and Phivida Holdings Inc. (CSE: VIDA) (“**Phivida**”) are pleased to announce the completion of the acquisition of Phivida by Choom, originally announced on June 3, 2020, pursuant to a court-approved plan of arrangement (the “**Plan of Arrangement**”). The Plan of Arrangement was implemented pursuant to the terms and conditions of an arrangement agreement dated June 2, 2020 between Choom and Phivida (as amended), and has resulted in the acquisition by Choom of all of the issued and outstanding shares of Phivida (the “**Phivida Shares**”) in exchange for consideration of 0.72566 of a common share of Choom (each full share, a “**Choom Share**”) for each Phivida Share (the “**Exchange Ratio**”). In connection with the Plan of Arrangement, Peter Simeon, a director of Phivida, joined the board of directors of Choom.

In connection with the closing, a total of 64,608,187 Choom Shares have been issued to the former holders of Phivida Shares, resulting in former Phivida shareholders holding approximately 28.6% of the total number of issued and outstanding Choom Shares (based on 225,753,870 Choom Shares issued and outstanding immediately after closing). In addition, the outstanding options to purchase Phivida Shares have been replaced with options to purchase Choom Shares on the same terms and conditions, other than necessary adjustments to take into account the Exchange Ratio, as set out in the Plan of Arrangement.

In order to obtain their Choom Shares, former registered shareholders of Phivida will be required to complete a letter of transmittal and submit it to Computershare Investor Services Inc. and otherwise follow the instructions contained in the letter of transmittal and described in the management information circular of Phivida dated August 5, 2020 in connection with the annual general and special meeting of holders of Phivida Shares held on September 4, 2020 to, among other matters, approve the Arrangement. Copies of the Circular and Letter of Transmittal may be obtained on Phivida’s SEDAR profile at www.sedar.com.

It is expected that the Phivida Shares will be delisted from the Canadian Securities Exchange (the “**CSE**”) on or about September 18, 2020 (or such earlier or later date as determined by the CSE). Phivida will also apply to cease to be a reporting issuer in the jurisdictions in which it is currently a reporting issuer.

A copy of the applicable early warning report concerning the acquisition of Phivida Shares by Choom will be filed under Phivida’s profile on the SEDAR website and may also be obtained by contacting Choom’s CEO, Corey Gillon at 604-683-2509 (#208, 1525, West 8th Avenue, Vancouver, British Columbia V6J 1T5).

Advisors and Counsel

BDO Transaction Advisory Services Inc. acted as the exclusive financial advisor to Choom. Pushor Mitchell LLP acted as legal counsel to Choom.

Hillcrest Merchant Partners Inc. acted as the exclusive financial advisor to Phivida. Phivida received an independent fairness opinion from Haywood Securities Inc. Gowling WLG (Canada) LLP acted as legal counsel to Phivida.

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Choom has also issued an aggregate of 3,126,025 Choom Shares in partial settlement of an advisory fee payable in connection with the completion of the acquisition. These Choom Shares will be subject to a hold period expiring January 17, 2021.

About Choom

Choom™ is a fast-expanding retail cannabis company who has established one of the largest store networks in Canada. The Choom brand is inspired by Hawaii's "Choom Gang" – a group of buddies in Honolulu during the 1970s who loved to smoke weed – or as the locals called it, "Choom". Evoking the spirit of the original Choom Gang, Choom's brand caters to the Canadian market with the ethos of "cultivating good times". Choom™ is focused on delivering an elevated customer experience through its curated retail environments, offering a diversity of brands for Canadians across a national retail network.

For additional information

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Cautionary Statement on Forward-Looking Information

This news release includes forward-looking information, including statements with respect to the timing of the de-listing of the Phivida Shares and the expectation that Phivida will apply to cease to be a reporting issuer. Forward-looking information depends on certain assumptions that management deems to be reasonable in the circumstances, but such assumptions may prove to be incorrect and the actual outcome of any forward-looking information cannot be guaranteed. In making the forward-looking information contained in this news release, management of the parties have made assumptions which they believe to be reasonable in the circumstances. However, such forward-looking information may not occur as contemplated or at all, and actual results could differ materially from those contemplated or expected as a result of known and unknown risk factors and uncertainties. Accordingly, readers should not place undue reliance on forward-looking information contained in this news release. Except as required by applicable securities laws, forward-looking information speaks only as of the date on which they are made and the parties undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

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