

## **BHANG COMPLETES REVERSE TAKEOVER TRANSACTION**

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**TORONTO, ON / July 9, 2019 / Bhang Inc. (formerly Pele Mountain Resources Inc.) (CSE: BHNG)** (the “**Company**”) is pleased to announce that it has closed its previously announced reverse takeover transaction (the “**Transaction**”) with Bhang Corporation (“**Bhang US**”). The Company will carry on the business of Bhang US, which is now a wholly owned subsidiary of the Company.

The Company’s subordinate voting shares (the “**Shares**”) will commence trading on the CSE under the new ticker symbol “**BHNG**” after the CSE issues its final exchange bulletin confirming the completion of the Transaction. The Shares are anticipated to commence trading this week.

The Company acquired all of the issued and outstanding shares of Bhang US pursuant to share exchange agreements dated May 15, 2019 between the Company and each of the shareholders of Bhang US. Pursuant to the Transaction, the Company issued to the shareholders of Bhang US an aggregate of 33,365,916 Shares and 56,634.128 Multiple Voting Shares in the capital of the Company.

In connection with the brokered offering, led by AltaCorp Capital Inc. and included Echelon Wealth Partners Inc., Eight Capital and Industrial Alliance Securities Inc., and non-brokered offering announced by the Company on February 12, 2019, the Company completed a “three-cornered” amalgamation whereby Pele Acquisition Corp. (“**Subco**”), a wholly-owned subsidiary of the Company, amalgamated with Bhang Canada Inc. (“**Bhang Finco**”), a special purpose vehicle, pursuant to an amalgamation agreement dated July 9, 2019 among the Company, Subco and Bhang Finco (the “**Amalgamation Agreement**”). Pursuant to terms of the Amalgamation Agreement, an aggregate of 11,182,735 Shares and 5,591,316 warrants (the “**Warrants**”) were issued to shareholders of Bhang Finco. Each Warrant entitles the holder to purchase one Share at a price of \$0.65 per share until July 9, 2021, subject to acceleration in the event that the volume weighted average price of the Shares is equal to or greater than \$1.00 over a period of 10 consecutive trading days.

With the completion of the Transaction, the Company has 49,112,627 Shares issued and outstanding (on an undiluted basis).

Additional information in respect of the Company’s business and the Transaction will be available in the Company’s listing statement which will be filed on SEDAR ([www.sedar.com](http://www.sedar.com)) prior to the commencement of trading.

## **About Bhang**

Bhang is committed to delivering exceptional sensory experiences to consumers at every point in their cannabis journey through its award-winning portfolio of brands. Bhang is a trusted cannabis house of brands with an extensive portfolio of over 100 cannabis, hemp-derived CBD and terpene products, including chocolates, pre-rolls, vapes, gums, beverages, gummies and mouth sprays, among others (which are sold through its licensees and/or by Bhang directly). Since 2010, Bhang has mastered the art of harnessing mutually-beneficial partnerships to bring safe, consistent and delicious products to consumers. Learn more at [bhangnation.com](http://bhangnation.com).

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as “anticipate”, “plan”, “estimate”, “expect”, “may”, “will”, “intend”, “should”, and similar expressions. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company’s actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company. The Company believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. Any forward-looking information contained in this news release represents the Company’s expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

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