

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 6, 2019**

**Medicine Man Technologies, Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of  
incorporation)

**001-36868**

(Commission  
File Number)

**46-5289499**

IRS Employer  
Identification No.)

**4880 Havana Street, Suite 201  
Denver, Colorado**

(Address of principal executive offices)

**80239**

(Zip Code)

**(303) 371-0387**

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Not applicable	Not applicable	Not applicable

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### Item 1.01 Entry into a Material Definitive Agreement.

On August 6, 2019 (the “Execution Date”), Medicine Man Technologies (the “Company”), a Nevada corporation, entered into a binding term sheet (the “Term Sheet”) with Cold Baked, LLC and Golden Works, LLC (d/b/a “Dabble”), each a Colorado limited liability company, setting forth the terms of the acquisition by the Company of 100% of the capital stock and assets of Dabble (the “Acquisition”).

The terms of the Term Sheet are summarized as follows:

As consideration, the Company shall pay a total purchase price of \$3,750,000 (the “Purchase Price”) consisting of \$750,000 cash and 996,678 shares of its common stock, par value \$0.001 per share. The 996,678 shares was determined by averaging the closing price of Company’s common stock for the five (5) days prior to the Execution Date, which equated to \$3.01 per share.

The Purchase Price is predicated on projected 2019 gross revenues of Dabble. The Purchase Price will be adjusted to reflect the actual 2019 gross revenues on a date and method mutually agreed upon by the Company and Dabble and shall be memorialized in the Long-Form Agreement (as defined below). However, no adjustment in the Purchase Price will be made if the variation between Dabble’s actual and projected 2019 sales is greater than or equal to ten percent (10%).

The obligations of the Company and Dabble under the Term Sheet are conditioned upon the satisfaction or mutual waiver of the following conditions (the “Conditions”):

- i. regulatory approval relating to all applicable filings and expiration or early termination of any applicable waiting periods;
- ii. regulatory approval of the Marijuana Enforcement Division and applicable local licensing authority approval;
- iii. receipt of all material necessary, third party, consents and approvals;
- iv. each party’s compliance in all material respects with the respective obligations under the Term Sheet;
- v. a tax structure that is satisfactory to both the Company and Dabble;
- vi. the execution of property leases mutually acceptable to each party; and
- vii. the execution of an employment agreement by and between the Company and Mr. Joshua Hindi for a period of no less than eighteen (18) months.

The Term Sheet contemplates the parties entering into a long-form agreement and other ancillary documents to memorialize the Acquisition (the “Long-Form Agreement”) upon the conclusion of all standard legal and business due diligence. In the event the Long-Form Agreement is not agreed to within one year of the Execution Date and all of the Conditions are either satisfied or waived, the Acquisition shall be consummated and governed by the terms of the Term Sheet.

The foregoing description of the Term Sheet does not purport to be complete and is qualified in its entirety by reference to the full text of the Term Sheet, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

On August 12, 2019, the Company issued a press release with respect to the foregoing, a copy of which is attached hereto as Exhibit 99.1.

### Item 9.01. Financial Statements and Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
10.1	<a href="#">Binding Term Sheet by and between the Company, Cold Baked, LLC and Golden Works, LLC (d/b/a “Dabble”), dated August 6, 2019</a>
99.1	<a href="#">Press Release dated August 12, 2019</a>

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Medicine Man Technologies, Inc.**

Date: August 12, 2019

By: /s/ Andrew Williams  
Name: Andrew Williams  
Title: Chief Executive Officer

August 6, 2019

Confidential

Messrs.  
Cold Baked, LLC  
Golden Works, LLC  
6620 Turkey Tracks Rd  
Colorado Springs  
CO 80916

Attn: Joshua Hindi

**Re: Binding Term Sheet between  
Medicine Man Technologies, Inc.  
("MMT") and Cold Baked, LLC/Golden  
Works, LLC (d/b/a "Dabble")**

Dear: Mr. Hindi:

MMT and Dabble are entering this binding term sheet (the "**Binding Term Sheet**") setting forth the **terms of the acquisition by MMT of Dabble.**

Parties: Medicine Man Technologies, Inc. is a Nevada corporation. MMT is a publicly held corporation, trading on OTCQX exchange under the symbol `MDCU, founded in March of 2014 and having been publicly trading since January of 2015.

Each Dabble entity is a Colorado limited liability company.

Fair Market Valuation: The Board of Directors for MMT have approved the "Fair Market Valuation" for the transaction at a \$ 3,750,000.00 valuation for Dabble. This valuation is 125% of estimated gross sales for a rolling 12-month period of \$3,000,000,000, less certain current commercial debts of (\$0.00 reported - it is understood that existing liabilities will be capitalized or deducted from the purchase price at Closing).

The number of shares of MMT stock to be issued as a portion of the purchase price shall be calculated as the average closing price of the five previous days prior to August 6, 2019. This equates to (\$ 3.01) per share of MMT common stock, which is the Company's only class of stock. MMT shall not create any additional classes of stock prior to the issuance of such stock to Dabble's owners.

Form of Purchase and Assets:  
Assets shall include the following:

Equity or Asset purchase, to be mutually agreed upon by the parties. (hereinafter "Assets")

- Licenses
- Balance sheet assets
- Inventory
- Property leases (to be negotiated by the parties in reasonable commercial terms that are consistent with historic operating margins of Dabble) (each, a "Lease")
- Personal property of Dabble
- Dabble shall provide a list of Assets within 30 days from the execution of this Binding Term Sheet.

Purchase Price

Based on the Fair Market Valuation and subject to any adjustment as described below, the Purchase Price payable by MMT to Dabble for the Equity/Assets shall be as follows:

Total Purchase Price: \$ 3,750,000.00

Cash Total: \$750,000.00

MMT Stock: 996,678 Shares

Equity/Asset Value:

-

The Purchase Price of the Equity/Assets is predicated on projected annual gross revenues of \$3,000,000.00 to December 31, 2019, as described above, and the assumption of debts associated with the normal course of business. The Purchase Price will be adjusted to reflect the actual gross revenue achieved as of December 31, 2019 and will be memorialized in the Long Form Agreement (as defined below).

No adjustment in the Purchase Price will be made if the variation between actual and projected sales is plus or minus 10%.

Dabble agrees to operate following its normal business and commercial practices for the purpose of revenue generation and in an effort to secure comparable margins to those historically achieved by them, as well as maintaining reasonable working capital also as per historic operations. In addition, MMT shall assume all Dabble contracts, subject to any necessary third-party consents ("Consents") and all related obligations attendant to the acquisition as of the Closing Date (as hereinafter defined).

All of the Assets and/or equity of Dabble shall be transferred to MMT at the Closing (as defined below), free and clear of all liens, claims and security interests, through a merger and acquisition structure mutually agreed upon by both MMT and Dabble and at which time the balance sheet will look substantially similar to the balance sheet at the time of the valuations.

Before the Closing Date, Dabble shall not delay or postpone the payment of accounts payable and other obligations beyond their respective payment deadline or accelerate the collection of accounts receivable or accept payment at a discount.

Payment: The Purchase Price shall be payable at the Closing as follows, unless otherwise agreed to by both MMT and Dabble.

Cash: 0 percent paid at execution of this Binding Term Sheet; 100 percent paid at Closing.

MMT Stock 100 percent issued at Closing, with stock trading restrictions to be defined in the Long Form agreement, to promote the controlled trading of MMT stock by participating entities in the proposed industry consolidation. Claw-back language will also be included to promote business continuation and performance by principals under their employment contract, as discussed below.

Closing Date:	The closing date (the "Closing Date") for the transactions contemplated hereby shall occur on or before one year from the date of signing this Binding Term Sheet, unless an extension of this agreement is mutually agreed to by all parties
Closing:	On closing of the transactions contemplated hereby (the "Closing"), MMT will assume full equity control of Dabble and/or purchase all its Assets, in exchange for the agreed Purchase Price as sole and full consideration. The Long Form Agreement as discussed below will include standard representations, and the continuation of business according to normal business practices by Dabble until Closing Date.
Conditions	<p>The obligations of MMT and Dabble under this Binding Term Sheet are conditioned solely upon satisfaction or mutual waiver of the following conditions not later than the date that is one year from the date of signing this Binding Term Sheet, unless an extension of this agreement is mutually agreed to by all parties (the "Conditions to Closing")</p> <p>(i) regulatory approval relating to all applicable filings and expiration or early termination of any applicable waiting periods, (ii) regulatory approval of the Marijuana Enforcement Division and applicable local licensing authority approval, (iii) receipt of all material necessary, third party, consents and approvals, (iv) each party's compliance in all material respects with the respective obligations under this Binding Term Sheet, (v) a tax structure that is satisfactory to both MMT and Dabble, and (vi) the execution of Leases and Employment Agreements that are mutually acceptable to each party.</p>

Exclusivity Other than as consented to in writing by the other party, Dabble and MM I' shall deal exclusively with each other in respect of the sale or transfer of the Equity or Assets through the Closing Date. During this exclusivity period, neither Dabble nor MMT, nor any Of their respective affiliates, representatives, advisors, or agents, shall. directly or indirectly, shop, market, solicit, pursue, or deal with any third party with respect to any transaction involving a transfer, sale, partnership, hypothecation, merger, or other transaction involving the ownership or control of the Assets or of any entity that owns or controls the Equity or Assets, or which would otherwise be inconsistent with, or delay the consummation of the transactions contemplated by this Binding Term Sheet. Notwithstanding the immediately preceding terms, nothing herein shall prevent MMT from releasing information, subject to a confidentiality agreement in a form reasonably acceptable to Dabble and, to third parties that it reasonably wishes to approach to provide debt or equity financing to consummate the transaction contemplated herein.

Indemnification Until such time as the Long Form Agreement is executed by the parties, if any of MMT, its subsidiaries and/or its affiliates, and/or any of their respective shareholders, officers, directors, employees or advisors (the "MMT Parties") is named as a party in any claim or legal action (a) arising from the purchase of the Assets and (b) based upon the claimant or claimants in such action asserting that Dabble, and did not have the legal right to sell and transfer the Assets to MMT, as provided herein, then Dabble shall indemnify and defend the MMT Parties against any costs, expenses and liabilities resulting from such claim or action; provided, that Dabble shall be entitled to prosecute such defense and assume control of all settlement negotiations. Dabble shall not enter into any settlement that (i) does not fully release the MMT Parties, (ii) limits or restricts the MMT Parties, (iii) **admits liability on the part of the MM1'** Parties in any manner, and/or (iv) requires other than a monetary payment by Dabble and without the prior consent of MMT, which shall not be unreasonably withheld.

MMT shall be permitted to participate in the defense with its own counsel at its own cost. If, in MMT's reasonable, good faith belief, Dabble fails to provide an adequate defense to any claim or action, MMT may take any actions necessary to adequately defend itself at Dabble's expense. The indemnification provisions set forth herein shall survive for one year after Closing, unless the Long Form Agreement has been executed sooner

Confidentiality By signing this Binding Term Sheet, each party hereto agrees that this Binding Term Sheet is only for the confidential use of it and the other parties thereto and that neither the existence of this Binding Term Sheet nor the terms hereof may be disclosed by any of the parties hereto to any person other than (a) a party hereto or Seller, or any affiliate of any of the foregoing, (b) any lender to any of the foregoing, or (c) any of their respective officers, directors, employees, accountants, contractors, attorneys, consultants and other advisors, agents and representatives and then only on a confidential basis; provided, however, that any party may make such other disclosures of the terms and conditions hereof as they are required by law or applicable regulatory (including any listing) requirements or are necessary in order to obtain regulatory approvals and Consents required in order to engage in the transaction, so long as such party seeks confidential treatment of such confidential information from such regulatory authority to the extent available.

Long Form Agreement

Upon the conclusion of standard legal and business due diligence on Dabble and MMT, expected to reasonably conclude within 120 days from the date of this agreement, the parties shall agree to the terms of a Long Form agreement and other related documentation customary for transactions of this type that contain (among other things) customary representations, warranties and indemnities, and a tax structure that is satisfactory to Non and Dabble (a "Long Form Agreement"). The parties will use commercially reasonable efforts to negotiate and execute such Long Form Agreement and other documentation promptly following the date of this Binding Term Sheet. However, until such time as this Binding Term Sheet is replaced by any such further documentation, this Binding Term Sheet remains binding on, and memorializes the legal and enforceable rights and obligations of, the parties.

In the event that all of the Conditions to Closing are satisfied or waived by both parties, and the parties do not agree on the terms of a Long Form Agreement by the Closing Date, MMT shall purchase, and Dabble shall sell to MMT, its equity and/or Assets in accordance with the terms of this Binding Term Sheet. In such event, at Closing, Dabble shall deliver to MMT a statement of representations as to the ownership of and title to the equity and/or Assets being transferred, and the power and authority of Dabble to transfer such equity and/or Assets. In addition, at the Closing, Dabble shall represent and warrant to MMT that, to the best of Dabble's knowledge, the Assets and any alienation of such Assets, do not materially infringe on any third party's intellectual property rights and there are no material third party claims of infringement threatened or pending.

After Closing, Dabble's owner Joshua Hindi shall confirm its employment agreement with MMT by means of an employment agreement for a period of no less than 18 months, in form and content to be agreed by the parties (the "Employment Agreement").

Further Assurances:

Each party hereto shall use commercially reasonable efforts to take, or cause to be taken, all appropriate action and all things reasonably necessary to consummate and make effective the transactions contemplated by this Agreement. In case at any time after the date of this Binding Term Sheet any further action is necessary to carry out the purpose of this Binding Term Sheet and to vest MMT with valid and legal title to the equity and/or Assets as of the Closing, each free and clear of all encumbrances except as otherwise set forth herein, the parties will take or cause to be taken all such necessary or appropriate actions and shall bear their own cost of any such actions.



Expenses: Each party shall be responsible for its own legal, regulatory, accounting, broker and all other costs, taxes, commissions and fees with regard to the transaction. MMT shall be responsible to pay for the cost of transfer of ownership of the licenses and PCAOB audits, assuming that Dabble provides documentation in form and content sufficient to successfully apply for the transfer of ownership. Any extraordinary costs associated with Dabble not producing documentation that allows the successful PCAOB audits and transfer of ownership of licenses will be assumed by Dabble.

Governing Law; Enforcement: This Binding Term Sheet shall be governed by the laws of the State of Colorado. Any controversy arising under or related in any way to this Binding Term Sheet shall be adjudicated by a court of competent jurisdiction located in the State of Colorado. Each party recognizes that the rights contained herein and the benefits arising therefrom are unique and damages cannot provide an adequate remedy in the event of a breach of this Binding Term Sheet. Therefore, if (i) all of the conditions to the obligations of Dabble and MMT set forth above are either satisfied or waived, and either party fails or refuses to consummate the sale and purchase of the equity and/or Assets contemplated herein, the other party shall be entitled to specific performance of the sale and purchase of the equity and/or Assets or (ii) either party fails to perform any of its other material obligations hereunder, the other party shall be entitled to specific performance thereof.

No Merger Neither the execution nor consummation of this Binding Term Sheet shall alter, amend or supersede any obligation or agreement relating to the Assets or act as an accord and satisfaction or novation of any such obligation or agreement.

Agreed:  
Cold Baked LLC and Golden Works, LLC Medicine Man Technologies, Inc.

By: /s/ Joshua Hindi By: /s/ Andrew Williams

Name: Joshua Hindi Name: Andrew Williams

Title: Manager/Member Title: CEO

## **Medicine Man Technologies, Inc. Announces Binding Term Sheet to Acquire Dabble Extracts, an Award-Winning Cannabis Extract Company**

- Acquisition to Further Enhance Company's Strategy to Become a Leading Vertically Integrated Operator in the Growing Legal Cannabis Market
- Company will Gain Access to Unique Manufacturing and Extraction Methods for Production of Shatters and Waxes
- Dabble Extracts Has Pending Patent on Proprietary Shatter-Making Process
- Dabble Extracts' Awards Include 1st Place Shatter, People's Choice and Best Tested at THC Championship; 2nd Place Shatter and 3rd Place Budder at High Times' Dope Cup

DENVER, Aug. 12, 2019 /PRNewswire/ -- Medicine Man Technologies, Inc. (OTCQX: MDCL) ("Medicine Man Technologies" or the "Company") today announced that the Company has entered into a binding term sheet to acquire Colorado-based Dabble Extracts, an award-winning cannabis concentrate company that specializes in processing medical and recreational marijuana into premium-grade extracts.



Under the terms of the term sheet, the Company will pay \$3,750,000 for Dabble Extracts. The purchase price will consist of \$750,000 in cash and 996,678 shares of common stock priced at \$3.01/share, which is the average closing price of the Company's stock for the five trading days prior to August 6, 2019. The terms can also be referenced in the 8-K, which outlines the closing conditions. The obligations of the Company and Dabble Extracts under the term sheet are conditioned upon the satisfaction or mutual waiver of certain conditions, including regulatory approval.

"The proposed acquisition of Dabble Extracts will further enhance our product portfolio, as it will bring the expertise and unique extraction capabilities necessary to create high-quality cannabis concentrates in the form of shatter and wax products," said Mr. Andy Williams, Co-Founder and Chief Executive Officer of Medicine Man Technologies. "Josh marks the fifth industry pioneer that we have announced in the span of three months to come on board, which is a testament to our vision in bringing the best and brightest to join forces and compete in a rapidly changing market. His background and mastery as an extraction technician will help us create, produce and distribute a superior portfolio of products. As a market leader, we believe it is incumbent for the Company to offer a comprehensive and exceptional product offering in all market segments, and Dabble Extracts' award-winning product line and unique and proprietary extraction process certainly helps us meet this goal."

"We have essentially pioneered our own extraction process and have grown through a grassroots approach similar to that of Andy's experience," said Mr. Josh Hindi, Founder of Dabble Extracts. "The team at Medicine Man Technologies shares our vision for the long term, and this accelerates our growth trajectory by creating a complementary approach at the forefront of the explosive opportunity in the cannabis industry. Our shatter is of the highest quality, and we are one of the top producers today for concentrates, based on the numerous awards we've received. We're excited to join the team and believe this enables us to take a huge step forward in our business as we combine our technical capabilities with the critical distribution capabilities that should allow us to go national and international in the future."

For more information about Medicine Man Technologies, please [visit https://www.medicinemantechologies.com](https://www.medicinemantechologies.com)

### **About Medicine Man Technologies**

Denver, Colorado-based Medicine Man Technologies (OTCQX: MDCL) is a rapidly growing provider of cannabis consulting services, nutrients and supplies. The Company's client portfolio includes active and past clients in 20 states and seven countries throughout the cannabis industry. The Company has entered into agreements to become one of the largest vertically integrated seed-to-sale operators in the global cannabis industry. Current agreements will enable Medicine Man Technologies to offer cultivation, extraction, distribution and retail pharmaceutical-grade products internationally. The Company's intellectual property includes the "Three A Light" methodology for cannabis cultivation and pending acquisition candidate MedPharm's GMP-certified facility, which has the first cannabis research license to conduct clinical trials in the United States. Management includes decades of cannabis experience, a unique combination of first movers in industrial cannabis and proven Fortune 500 corporate executives.

### **About Dabble Extracts**

Dabble Extracts is committed to providing customers with the most flavorful products while ensuring the best quality in its creation and extraction methods. Dabble seeks to redefine the industry standard by offering high-quality shatters and waxes in the cleanest and purest form possible with very minimal residue of the specially formulated hydrocarbon solvent used in its product extraction. Dabble Extracts' products can currently be found in 60 dispensaries throughout Colorado. Shatter is one of the most recognized concentrates, a solid substance that resembles a honey-colored glass shard. Wax is another type of marijuana extract, which resembles the texture of candle wax. Both extracts can be vaped and dabbed for use.

### **Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such statements may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential" or similar words. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Such risks and uncertainties include, without limitation, those associated with (i) regulatory limitations on our products and services; (ii) our ability to complete and integrate acquisitions; (iii) general industry and economic conditions; and (iv) our ability to access adequate financing on terms and conditions that are acceptable to us, as well as other risks identified in our filings with the SEC. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise.

### **Investor Relations Contact:**

[ir@medicinemantechologies.com](mailto:ir@medicinemantechologies.com)  
1-866-348-1997



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