Saratoga Electronic Solutions (CSE: ABA) announces agreement to acquire Blow Vapor

Toronto, Ontario, April 20, 2015 – Saratoga Electronic Solutions Inc., “Saratoga”, or the “Company”) (CSE: ABA) is pleased to announce that it has entered into a binding Memorandum of Understanding (the “Agreement”) with 2457513 Ontario Ltd. (“2457513”) and Blow Canada Inc. (“Blow Canada”) to acquire all the issued and outstanding shares of 2457513 immediately following the acquisition by 2457513 of all the assets of Blow Canada including the shares of its US subsidiary, Blow Vapor Inc. (2457513, Blow Canada and Blow Vapor Inc., herein collectively referred to as “Blow Vapor”).

Blow Vapor is engaged in the business of manufacturing, marketing, and distributing electronic cigarettes, e-liquids, and vaporizers. The devices emit doses of vaporized nicotine that are inhaled, and can also emit non-nicotine vaporized e-liquids, providing an alternative for tobacco smokers who want to avoid combustible tobacco products.

Under the terms of the Agreement, the Company shall pay to Blow Canada an aggregate consideration of CDN $5,500,000 in cash and shares of the Company. Upon closing, 2457513 will be a wholly-owned subsidiary of the Company and Blow Vapor Inc. will be an indirect wholly-owned subsidiary of the Company.

The Agreement contemplates that the consideration payable by the Company to Blow Canada will be comprised of the following: (a) CDN $500,000 cash payable on closing; and (b) the Company shall issue 10,000,000 common shares (at a deemed value of $0.50 per share) for an aggregate value of CDN $5,000,000 on closing. Of the 10,000,000 shares, 6,000,000 shares will be placed in escrow to be released in three (3) tranches as follows: 1) 2,000,000 shares to be released from escrow at the time Blow Vapor has reached CDN $3,000,000 in gross revenue, 2) 2,000,000 shares to be released from escrow at the time Blow Vapor has reached CDN $6,000,000 in gross revenue, and 3) 2,000,000 shares to be released from escrow once Blow Vapor has reached CDN $7,500,000 in gross revenue. Should any of the release thresholds not be achieved within four (4) years from closing, any escrow consideration which remains shall be returned to the treasury of the Company for cancellation.

Following closing, the new Board of Blow Vapor will be comprised of five (5) individuals, two (2) of whom will be nominated by Blow Vapor and three (3) to be nominated by the Company, including the Chairman. The management team of Blow Vapor, including the Chief Operating Officer, Sales Manager, Product / Procurement Manager, and Marketing Manager (the Management Team), will continue under new employment agreements.

The Agreement is binding and is expected to be superseded by a definitive agreement to be agreed to and signed between the parties, expected no later than July 31, 2015 (a “Definitive Agreement”). The transaction is subject to regulatory approval and standard closing conditions.

Further details about the transaction and the combined entity will be provided in a comprehensive press release when the parties execute and deliver the Definitive Agreement.

**About Saratoga Electronic Solutions Inc.**

Saratoga Electronic Solutions Inc. (CSE: ABA) is the parent company of Abba Medix Corp (“Abba”) which was established in August 2013 to capitalize on the dramatically changing rules governing medical marijuana production in Canada. Abba submitted its initial application under the MMPR licensing program in November of 2013. Abba’s 19,000 sq. ft. Pickering, Ontario growing facility, with an output capacity of 115 kg per month, is complete and ready for Health Canada inspection. It is currently awaiting approval from Health Canada to produce medical cannabis. Saratoga has called an annual and special shareholders meeting for May 4, 2015, pursuant to which, among other things, shareholders will be asked to approve a name change to Abba Medix Group Inc. or such other name as may be acceptable to the board of Saratoga or the regulatory authorities. For more information please visit [www.abbamedix.com](http://www.abbamedix.com).

**About Blow Canada Inc.**

Blow Canada Inc. was incorporated in Ontario, Canada in June 2013. In July 2014, Blow Canada Inc. incorporated a wholly owned subsidiary, Blow Vapor Inc., in Florida, USA. In August of the same year, the company filed its first US patent application for their electronic hookah device. Since then, the company has been providing customers with nothing but the best, most innovative products on the market, offering a wide collection of premium products to fit everyone’s lifestyle and vaping preferences. For more information, please visit [www.blowvapor.com](http://www.blowvapor.com).

**Cautionary Statements Regarding the Transaction**

This press release contains forward-looking information based on current expectations. The closing of the Transaction, the expected terms of the Transaction, the cash disbursement and the number of securities of the Company that may be issued in connection with the Transaction and the parties’ ability to satisfy the closing conditions and receive all necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. The terms described above are not binding unless and until the Definitive Agreement is signed.

**Cautionary Statements Regarding Forward-Looking Information**

Certain statements within this press release relating to the Company and / or Blow constitute “forward-looking statements”, within the meaning of applicable securities laws, including without limitation, statements regarding future estimates, business plans and / or objectives, sales programs, forecasts and projections, assumptions, expectations, and/or beliefs of future performance, are "forward-looking statements". Such "forward-looking statements" involve known and unknown risks and uncertainties that could cause actual and future events to differ materially from those anticipated in such statements. Forward-looking statements include, but are not limited to, statements with respect to commercial operations, including production and / or sales of medical marijuana, quantities of future medical marijuana production, anticipated revenues in connection with such sales, the overall projected size of the market, completion and / or expansion of production facilities, and other information that is based on forecasts of future results, estimates of production not yet determinable, and other key management assumptions. Actual results may differ materially from those expressed or implied by such forward-looking statements and involve risk and uncertainties relating to the Company's and Blow’s historical experience with e-cigarettes operations, regulatory changes, timeliness of government approvals for the granting of permits and licenses, changes in medical marijuana prices, actual operating performance of facilities, and other uninsured risks. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Further, there can be no assurance that Abba Medix’s medical marijuana license application will be approved by Health Canada, or that any prospective projects in the industry will be successfully completed. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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