

Harvest One Cannabis Inc.

## NEWS RELEASE

TSXV – HVST

December 18, 2017

### *Harvest One Announces Outdoor Growing Strategy for Premium Cannabis Flowers and 398 Acre Land Purchase in Strategic Location*

Harvest One Cannabis Inc. (TSXV:HVST) ("Harvest One" or the "Company") is pleased to advise that its wholly owned subsidiary, United Greeneries Holdings Ltd. ("United Greeneries" or "UGH"), has entered into a binding purchase agreement for 398 acres of agricultural land (the "Property") in British Columbia.

The Company has been contemplating a comprehensive cannabis outdoor growing strategy for several years in anticipation of regulatory changes that could potentially allow for such operations in the future. With the announcement of a consultation on potential regulations that would permit outdoor growing for the recreational market in Canada by the Federal Government in November 2017, the Company is now advancing those plans.

The Property is located in a unique geographical location in the Province of British Columbia that displays climate characteristics during the vegetative period of cannabis which the Company believes are comparable to Northern California. Such climate is extremely rare in Canada and the Company believes that the Property may provide some of the best cannabis growing conditions on a global scale and that it will allow for the large-scale production of the highest quality premium flowers at significantly reduced production costs compared to indoor cultivation.

United Greeneries has strategically engaged in the procurement of suitable outdoor growing varieties and has previously imported and phenotyped several long-flowering Sativa and high-CBD varieties that the Company believes will find strong consumer appreciation once grown under these conditions.



Subject to applicable changes and regulatory approvals, the Company expects that the initial growing area on the Property will consist of approximately 140 acres of row-style, individual plant settings with irrigation and feeding lines.

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The Company has retained several experienced outdoor growing experts and consultants from Europe and California in support of this new initiative, who have indicated a potential harvest up to 50,000kg of high quality dried cannabis flowers by September 2019.

Following completion of the recent \$20,125,000 bought deal offering by Harvest One, management expects that the capital expenses and the initial operating costs for the new outdoor growing strategy will be fully funded.

Closing of the acquisition of the Property remains subject to the satisfaction of customary conditions, including the completion of satisfactory due diligence. The transaction is expected to close on March 1, 2018. The purchase price for the Property is \$949,000.

Andreas Gedeon, CEO and Managing Director of Harvest One commented:

“Anybody who has ever consumed cannabis from the hills of Northern California knows that there is nothing comparable to the quality and experience that comes from the combination of real sunshine, clean air and long-flowering Sativa varieties.

“We have been working on this opportunity for several years now, identifying the right land and gathering the suitable varieties. The Company is now setting plans in motion to ensure first mover advantage should the Federal Government proceed with these regulatory changes.

“I believe that by doing so, we will be able to bring some of the best cannabis flowers to Canadian consumers that the legal market has ever seen, organically grown and sustainably produced.

“I want to make it very clear to the market that there is a risk that outdoor growing permissions will not make it into the final regulations, or that this happens after the 2019 growing season. However, the Company believes that those risks are acceptable and the potential benefits dramatically outweigh the associated risks. I look forward to updating the market with our progress on this ambitious and disruptive project.”

#### **About Harvest One Cannabis Inc. (TSX.V: HVST)**

Harvest One controls operations across the entire cannabis value chain through three business units, with Harvest One serving as the umbrella company over horticultural arm United Greeneries and medical arm Satipharm AG. Each business is strategically located in favorable jurisdictions with supportive regulatory frameworks in place. United Greeneries has received a Canadian medicinal cannabis cultivation and sales license, making Harvest One of only a few companies globally with the capacity to commercially cultivate and sell cannabis in a federally regulated environment.

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*to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the acquisition of the Property, its potential use of the Property, the potential production capacity of the Property, the Property's suitability for the cultivation of cannabis, regulatory approvals relating to the Property and relating to outdoor cultivation of cannabis generally, and the use of proceeds of the Company's recent offering with respect to the Property. The forward-looking information contained in this press release is made as of the date hereof and the Company is not obligated 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 laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.*

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