

GTEC Holdings Provides a Letter to Shareholders From Chairman & CEO

Kelowna, BC – December 21st, 2018 – GTEC Holdings Ltd. (TSXV: GTEC) (OTCQB: GGTF) (“**GTEC**” or the “**Company**”), a specialized and vertically integrated premium cannabis company, is pleased to provide the following letter to its shareholders from Founder, Chairman & CEO Norton Singhavon.

To our valued shareholders,

Tomorrow marks the six-month anniversary since we went public on the TSX Venture Exchange on June 22nd, 2018. Prior to going public we raised over \$30 million dollars privately amongst roughly 500 shareholders. To those original shareholders, and all the new shareholders we have gained since going public, I wanted to thank you for your support and patience as we continue to execute our vision in becoming one of Canada’s leading vertically integrated Cannabis Companies.

The cannabis sector has shown signs of volatility in the public markets and we would like to instill confidence in those of you who are supporting our vision. As a private company, we set out a mandate to all of you that we would achieve vertical integration within the premium segment of the market. Since going public, our team has continued to execute this vision and accomplished the following key milestones that we feel are imperative in delivering long term shareholder value:

- **July 2018:** Obtained a Dealer’s License at Zen Labs for analytical testing and extraction
- **July 2018:** Awarded a recreational Retail Dispensary License in Saskatchewan, which also allows an online e-commerce website to ship to anyone over the age of 19+ in the Province
- **July 2018:** Formed 3PL Ventures, which will onboard approximately 7,000kg on its First Phase, with GTEC only committing the final \$1 million in the project
- **August 2018:** Signed a supply agreement with Namaste & CannMart, in which we executed our first sale earlier this month
- **August 2018:** Received a strategic \$2 million investment from Invictus MD, with a favorable \$1.50 conversion price
- **September 2018:** Signed an exclusive supply agreement with Pack4U, which enables GTEC to supply cannabis capsules alongside their wholesale distributors McKesson, Cardinal Health and AmerisourceBergen
- **October 2018:** Launched our flagship trademarked brands; BLK MKT™; Tenzo™, GreenTec™, cognōscente™, FN™, and Treehugger™, which have received positive reviews and feedback from the Provincial liquor boards
- **October 2018:** Awarded the opportunity to enter into a lottery for recreational Retail Dispensary Licenses in the Province of Manitoba
- **November 2018:** Entered into binding LOIs to establish 3 recreational Retail Dispensaries in Vancouver, complemented by the existing 18 Development Permits with Cannabis Cowboy in Alberta
- **November 2018:** Announced a strategic merger with Invictus on November 16, 2018, to form Western Canada’s largest indoor (non-greenhouse) cultivation footprint.
- **December 2018:** Became officially revenue generating, by selling bulk cannabis to multiple LP’s with the ability to sell some of our product to patients under our flagship medical brand GreenTec™

As we wrap up the calendar year of 2018 and enter into 2019, I wanted to provide some insight of where we see our assets and the company in the New Year

- Alberta Craft Cannabis will continue to be revenue generating and producing about 1,500kg per annum
- Tumbleweed and Grey Bruce near completion of construction, which will add another 2,500kg of production capacity
- GreenTec Bio-Pharmaceuticals is anticipated to complete construction in Q2 2019, which will add an additional 2,250kg
- 3PL to complete construction in Q3 2019, which will add another 7,000kg
- For a total of over 13,000kg of production capacity across 3 Provinces
- A retail footprint of over 30+ locations across the 3 Western Provinces, with additional potential locations in Manitoba if we are successful in the lottery process

Our Operations team has been working relentlessly to deliver revenue from ACC and to complete construction at Tumbleweed and Grey Bruce. We have executed and delivered a product that has a THC content significantly higher than the average for this particular cultivar and achieved an average wholesale bulk selling price above \$6.50 per gram.

For those of you that have contacted me or the Company with questions regarding the details of the Invictus merger, I ask that you please remain patient as we work to finalize further details and release this information to our shareholders and the public. As you can respect and understand, we are not permitted to disclose any details to individuals that are not already widely disseminated. Rest assured that both companies are currently progressing with obtaining board approval, due diligence and we will have some further solidified details in the coming weeks, with a target close sometime in Q1 2019. There will be a comprehensive information package, as well as a detailed circular highlighting and informing you of the full transaction details. We remain confident that this merger is in the best interest of the company and shareholders.

In the short timeframe since being a publicly traded company, we have made significant progress on achieving goals and milestones for our shareholders. Some delivered on schedule, some delivered slightly behind schedule, but our dedication to this organization and vision will continue as we seek to establish ourselves as the leader of premium craft cannabis products. We believe that the current volatile market conditions are not indicative of the company's execution and vision. We remain confident that if we continue our relentless dedication to execute on building the company, generate earnings and operate in a disciplined and appropriately governed manner, that we will eventually deliver long-term value to our shareholders.

Thank you for your support of our company in 2018. We look forward to 2019 being an outstanding year for our company and vision. On behalf of GTEC Holdings, we would like to wish everybody Happy Holidays.

Sincerely,

Norton Singhavon
Founder, Chairman & CEO

About GTEC

GTEC Holdings is a specialized craft cannabis company dedicated to cultivating premium quality cannabis in purpose-built indoor facilities. The company is vertically integrated across all major sectors of the Canadian cannabis industry and holds Cultivation, Extraction and Analytical testing licenses. The management team is comprised of a diverse skill set sourced from leading global food & beverage and premium alcohol companies. GTEC's retail division is pursuing licensing for over 35 recreational cannabis stores across Western Canada. GTEC's premium indoor cannabis will be marketed and sold under its flagship trademarked brands; BLK MKT™; Tenzo™, GreenTec™, cognōscente™, FN™, and Treehugger™. The Company is actively pursuing sales and distribution opportunities across all major business channels: medical, recreational, B2B and export. GTEC is a publicly traded corporation, listed on the TSX Venture Exchange and the OTCQB Venture Market. The Company is headquartered in Kelowna, British Columbia.

To view more about the company or to request our most recent corporate presentation, please visit our website at www.gtec.co

For additional information please contact:

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