

Tilray® Signs Letter of Intent for Hemp-Derived CBD from the U.S. and Canada

Company to utilize CBD isolate for distribution of wellness and medical products across North America

NANAIMO, British Columbia--(BUSINESS WIRE)--December 17, 2018--Tilray, Inc. (NASDAQ:TLRY), a global leader in cannabis research and production, today announced the terms of a binding letter of intent ("LOI") to purchase hemp-derived CBD isolate from LiveWell Canada Inc. (CSE:LVWL) ("LiveWell"), which will be sourced from the United States and Canada and utilized for distribution of Tilray-owned wellness and medical products across North America.

The LOI outlines that LiveWell will supply Tilray with CBD isolate made from hemp cultivated and processed in the U.S. and Canada, with first supply commencing in February 2019. The CBD isolate will be used to process finished CBD cannabis products for distribution by Tilray in Canadian and U.S. markets, subject to applicable federal and local laws and regulations.

Regulations in Canada allow for the use of hemp as a source of CBD, as long as the product satisfies certain quality requirements. These new rules will allow for wholly-owned Tilray Inc. subsidiaries, Tilray Canada Ltd. ("Tilray Canada") and High Park Farms™ Ltd. ("High Park") to potentially utilize hemp-derived CBD to increase supply of CBD medical and wellness products in Canada.

The Farm Bill in the U.S. presents an opportunity to enter the hemp-derived CBD industry and capitalize on an estimated US\$22 billion market. Tilray has the expertise, team and supply in place to pursue this opportunity and looks forward to potentially expanding its product offerings to include hemp-derived CBD in U.S.

"Today's announcement puts Tilray in a strong position to expand the availability of our products in existing and new potential markets," says Brendan Kennedy, Tilray CEO. "We're pleased about the opportunity to increase our capacity to supply high-demand CBD products in Canada."

As outlined in the terms of the LOI, LiveWell will ensure the hemp-derived CBD isolate supplied to Tilray adheres to strict quality standards, including Good Production Practice (GPP). Prior to distribution, Tilray will ensure that all finished products adhere to applicable law, as well as its internal quality standards.

Tilray looks forward to sharing more information about its expanding product offerings and growing portfolio of world-class cannabis brands.

About Tilray®

Tilray is a global pioneer in the research, cultivation, production and distribution of cannabis and cannabinoids currently serving tens of thousands of patients in twelve countries spanning five continents.

About LiveWell

LiveWell is an innovative Canadian hemp and cannabis company focused on advanced research on CBD and other cannabinoids, as well as developing, marketing and distributing consumer health and wellness products.

Cautionary Note regarding Forward-looking Statements

This press release contains "forward-looking statements", which may be identified by the use of words such as, "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook" and other similar expressions, including statements related to the LiveWell LOI as well as the potential of the United States CBD market. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including assumptions in respect of current and future market conditions. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this press release, and, accordingly, you should not place undue reliance on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements. Please see the heading "Risk Factors" in Tilray's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 and the risks discussed in Tilray's other filings with the Securities and Exchange Commission for a discussion of the material risk factors that could cause actual results to differ materially from the forward-looking information. Tilray does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.

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