



**Tidal Royalty Corp. and CannaRoyalty Corp.
Agree to Terms On Purchase of AltMed Royalty and Equity**

Toronto, Ontario – August 27, 2018. Tidal Royalty Corp. ([CSE: RLY.U](#)) ([OTC: TDRYF](#)) (“**Tidal Royalty**”), a leading provider of royalty financing to licensed U.S. cannabis operators, is pleased to announce it has entered into a binding letter of intent (“**Agreement**”) to acquire certain assets that are strategic to Tidal Royalty from CannaRoyalty Corp. ([CSE: CRZ](#)) ([OTC: CNNRF](#)) (“**CannaRoyalty**”), a leading North American cannabis products and brands company.

Pursuant to the Agreement, Tidal Royalty will acquire a royalty entitlement and equity interest in Alternative Medical Enterprises, LLC, doing business as AltMed, (“**AltMed**”) a leading multi-state, vertically-integrated operator. The aggregate consideration for the acquisition is C\$8 million, in a combination of cash and Tidal Royalty’s stock.

[AltMed](#) is led by former senior pharmaceutical executives and has captured market share by implementing pharma industry standards to the development, production and dispensing of medical cannabis. AltMed has vertically-integrated operations in both Florida and Arizona, pursuant to such states’ regulated cannabis programs, and currently has applications for licenses pending in Ohio. In addition to distributing its own award-winning product line ([MüV™](#)) of topicals, gels, concentrates and transdermal patches, AltMed has distribution partnerships with leading cannabis brands – including with [Wana Brands](#), a leading producer of cannabis-infused products.

Pursuant to the Agreement, Tidal Royalty will acquire a royalty on U.S. and international sales of the MüV™ product line. Tidal Royalty will also acquire an equity interest in AltMed.

“We’ve been following AltMed for quite some time now and have watched them expand their footprint very strategically and methodically. They are led by an extremely entrepreneurial and capable management team and we feel that they are positioned to be a leading player in the U.S. industry. We are excited to be in this position and look forward to finding additional ways that we can support their growth plans,” said Paul Rosen, CEO & Chairman of Tidal Royalty. “This transaction was really made possible by our strong synergistic relationship with CannaRoyalty, a company whom we have a great deal of respect and admiration for. We are confident that our companies will identify additional mutually-strategic opportunities in the emerging U.S. regulated cannabis industry.”

“This Agreement advances our stated strategy of realizing value for shareholders on non-core assets. The gains from our successful investment in AltMed will provide CannaRoyalty with capital to continue to expand its distribution and brand network in the California market. We are confident that AltMed will be a valuable addition to Tidal Royalty’s portfolio, and as CannaRoyalty continues to grow and build a solid presence in California, we look forward to opportunities to partner with the experienced team at Tidal Royalty,” said Marc Lustig, Chairman and CEO of CannaRoyalty.



Closing of the transaction is subject to, among other things, the satisfactory completion of due diligence, which is currently underway, and the receipt of all corporate and regulatory approvals.

With the execution of this Agreement, Tidal Royalty has now entered into letters of intent with cannabis operators in Florida, Arizona, California, Nevada, Massachusetts and Illinois. In addition, Tidal Royalty is in the process of evaluating multiple additional opportunities across the U.S., including in New York, Ohio, Pennsylvania, Texas and Michigan. Tidal Royalty intends to provide further information on those discussions when the respective parties reach an agreement and execute letters of intent.

About Tidal Royalty

Tidal Royalty provides royalty financing to the U.S. regulated cannabis industry. Led by an executive team with extensive industry experience in Canada and the U.S., Tidal Royalty provides operators with the funding they need to grow their business. Operators benefit from non-dilutive capital and investors get top-line access to a diversified portfolio of companies that will form the future of this transformative industry.

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This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities law. Forward-looking information is frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Readers are cautioned that forward-looking information contained in this new release is not based on historical facts but instead is based on reasonable assumptions and estimates of management. Forward-looking information contained in this news release includes, but is not limited to: the ability to enter into definitive documentation in respect of letters of intent currently entered into by Tidal Royalty, the ability of Tidal Royalty to enter into additional letters of intent and associated definitive documentation with current or further proposed investee companies, the operating and financial performance of any investee company to be funded by Tidal Royalty from time to time and the ability of Tidal Royalty to generate revenue or realize profit through royalty agreements or equity investments with any future investee companies. In addition, this news release contains forward-looking statements attributed to third-party sources, the accuracy of which has not been independently verified by Tidal Royalty. Forward-looking information contained herein is based on the opinions and reasonable assumptions and estimates of management as at the date hereof and is subject to a variety of known and unknown risks and uncertainties and other factors, many of which are beyond the control of Tidal Royalty, that could cause actual events or results of Tidal Royalty to differ materially from those expressed or



implied in the forward-looking information. Such factors include: U.S. regulatory landscape and enforcement related to cannabis, including political risks and risks relating to regulatory change, risks relating to anti-money laundering laws and regulation, other governmental and environmental regulation, public opinion and perception of the cannabis industry, risks related to the enforceability of contracts, the requirement by Tidal Royalty to obtain additional financing, the limited operating history of Tidal Royalty, timeliness of government approvals for granting of permits and licences needed by any future investee companies, including licences to cultivate cannabis, the actual operating and financial performance of any future investee company, competition and other risks affecting Tidal Royalty in particular and the U.S. cannabis industry generally, and the risk factors effecting Tidal Royalty disclosed in the listing statement of Tidal Royalty available at www.sedar.com. Because of such risks, uncertainties and other factors, investors should not place undue reliance on the forward-looking information contained herein. Tidal Royalty is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. The foregoing statements expressly qualify the forward-looking information contained herein. **This release does not constitute an offer for sale of, nor a solicitation for offers to buy, any securities in the United States.**

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