



Tidal Royalty and Harborside Announce Strategic Royalty Financing Partnership

Toronto, Ontario – November 15, 2018. Tidal Royalty Corp. ([CSE: RLTY.U](#)) (“Tidal Royalty”), a leading provider of royalty financing to licensed U.S. cannabis operators, is pleased to announce it has signed a non-binding memorandum of understanding for a strategic royalty financing partnership. The Company is also participating in the series B equity financing of FLRish, Inc. (“Harborside”), the parent company of the iconic Harborside dispensaries in California, which closed today.

The parties have entered into a non-binding memorandum of understanding whereby Tidal Royalty commits to provide US\$10 million in royalty financing to prospective dispensary operators licensing the “Harborside” brand. Each potential dispensary financing transaction will be assessed on a case-by-case basis and specific financing terms will be negotiated among the parties.

“Harborside is one of the preeminent cannabis companies in the U.S.,” stated Paul Rosen, Tidal Royalty’s CEO and Chairman. “They are a leading operator in California already, and we expect that their business strategy and strong executive team will enable them to enhance their leadership position. Through our strategic financing partnership, Tidal Royalty would provide select operators with the capital required to launch a dispensary licensing the “Harborside” brand in exchange for a royalty on sales.”

[Harborside](#), a vertically-integrated California licensed operator, was founded in 2006 by cannabis industry activist and entrepreneur [Steve DeAngelo](#). He remains the company’s Chairman Emeritus and stated: “This is yet another step on our path to fulfill the goal we set for Harborside at the outset. From the caliber of our dispensaries, to the product knowledge of our team members, to the quality of products that we sell, we have aimed to change the perception of cannabis in our communities and demonstrate that it can be an agent for positive change.”

Harborside operates two dispensaries and one of California’s largest cultivation facilities and owns the Harborside brand. Its flagship location in Oakland, California is the largest medical cannabis dispensary in the U.S. It was the first medical cannabis dispensary in the U.S. to introduce lab testing, the first to offer CBD-rich medicine, and the first to treat children with Dravet syndrome. Harborside was also reported to be the first dispensary to legally sell non-medicinal cannabis in California following the state’s legalization of adult use sales on January 1, 2018.

“Our business model has been California-centric, and we will continue to pursue a growth strategy in the nation’s largest cannabis market,” stated Harborside CEO Andrew Berman. “We have numerous options available to us to do so, and Tidal Royalty’s financial support allows us to accelerate growth opportunities with partners that are looking to operate under the Harborside umbrella.”

This transaction continues to grow Tidal Royalty’s portfolio of licensed cannabis operators and follows Tidal Royalty’s announcement of its strategic subscription and financing arrangement with Lighthouse Strategies, LLC, which is subject to, among other things, the satisfactory completion of due diligence, which is currently underway, the receipt of all corporate and regulatory approvals, and the closing of a



financing transaction by Lighthouse. Tidal Royalty has also previously announced an agreement to finance Diem's expansion into Massachusetts, and a binding letter of intent to purchase equity in, and assume a royalty agreement with, AltMed (a vertically-integrated license holder with operations in Arizona and Florida). Tidal Royalty is currently in the process of evaluating multiple additional opportunities across the U.S., including in California, New York, Illinois, Ohio, Pennsylvania, Texas and Michigan. Tidal Royalty intends to provide further information on those opportunities when the respective parties reach an agreement and execute letters of intent.

Tidal Royalty has also purchased C\$3,000,000 of senior unsecured convertible debenture units, which pay 12% interest and are convertible into Harborside common shares. The units also include warrants to purchase 87 additional common shares per unit, for 24 months after the closing date of the financing. Harborside announced in August 2018 that it has signed a binding letter of intent with Lineage Grow Company ([CSE: BUDD](#)) to effect a reverse take-over ("RTO") transaction and to file an application to trade on the Canadian Securities Exchange. Following completion of the RTO, the debentures and share purchase warrants are convertible into common shares of the resulting issuer pursuant to their terms.

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 closing of the Lighthouse Strategies, LLC transaction and satisfaction of those closing conditions; Tidal Royalty's entitlements under the memorandum of understanding and the potential financings; 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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