Lineage Grow Company Ltd. and FLRish, Inc. dba Harborside Announce Definitive Merger Agreement on Reverse Takeover

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

TORONTO, Feb. 11, 2019 -- Lineage Grow Company Ltd. (CSE:BUDD) ("**Lineage**") and FLRish, Inc. d/b/a Harborside ("**Harborside**"), a private company incorporated under the laws of California, are pleased to announce today that they have entered into a definitive merger agreement (the "**Definitive Agreement**"), which, subject to certain conditions and the Canadian Securities Exchange (the "**CSE**") approval, will result in the reverse takeover of Lineage by Harborside (the "**RTO**").

MERGER HIGHLIGHTS:

- ***On closing of the RTO and the Merger taking effect, the holders of Harborside's shares will receive either a combination of Multiple Voting Shares and Subordinate Voting Shares, or Subordinate Voting Shares, for each Harborside share outstanding in the resulting issuer, Lineage. The voting rights underlying the Multiple Voting Shares track the respective economic interests of the underlying shares and have been adopted for tax efficiency purposes.***
- ***The Resulting Issuer will seek a listing of the Subordinate Voting Shares on the CSE.***
- ***Lineage intends to effect a change of its name to "Harborside Inc." and has reserved a new stock symbol to "HBOR".***
- ***Harborside plans to conduct an offering of subscription receipts in a private placement to be conducted prior to the closing of the RTO, to raise up to C$70 million.***
- ***The Resulting Issuer's business objective will be to maintain and build Harborside's position as California's premier vertically-integrated cannabis company.***
- ***Lineage common shares shall be consolidated and reclassified on a post-Consolidation basis as Subordinate Voting Shares, then the number of underlying shares will be adjusted so that 41.82 shares will be converted into one (1) Subordinate Voting Share.***
- ***Merger Agreement Includes Three Proposed Stock Dividends to Lineage shareholders to be granted subject to completion of i) the RTO, ii) the Lux acquisition, iii) the Agris acquisition.***
- ***Lineage Shareholders Meeting to approve the RTO, amongst other things, will be called imminently.***

EXECUTIVE QUOTES:

Peter Bilodeau, CEO of Lineage: *"This is a great day for Lineage Shareholders. Harborside is a "World Renowned" name in the cannabis space due to its exemplary trailblazing efforts towards the legalization of cannabis, as well as its Best in Class retail operations. Coupled with its vertically integrated supply chain, and the acquisitions forming part of this merger, and subject to regulatory approvals, Harborside becomes a great, value based, force to contend with in the public markets.*

Andrew Berman, Chief Executive Officer of Harborside: *"Today marks a major milestone in a strategy designed to fuel Harborside's planned expansion. I am excited to announce this proposed merger with Lineage, which will enable us to move through 2019 with more assets and the resources we need to quickly expand our retail platform, drive revenue, and continue to deliver trust, choice and value to our patients and customers. This combination with Lineage will significantly bolster our retail program and vertically-integrated, California-centric business model, and will position Harborside for growth and tremendously exciting times for the company, our staff and the industry."*

Steve DeAngelo, Co-founder of Harborside and Chairman Emeritus*: "Few cannabis companies in the U.S. or Canada have the legacy and track record of success that Harborside has achieved over the past 12 years. I founded Harborside with dress wedding in 2006 to provide a gold standard of medical cannabis retailing; serve patients with the most attractive facilities, highest levels of care, and best product knowledge in the industry; and to offer and produce safe, innovative and effective branded products that improve the quality of our customers' lives. We are happy to have found a partner in Lineage who will help us continue to build on that legacy and spread Harborside's mission."*

Adam Szweras, Lineage Secretary and Incoming Director; Chairman of Foundation Markets: *"Harborside has been at the forefront of the cannabis legalization effort and our team is proud to be associated with this groundbreaking Company. We* *are confident that the Canadian capital markets will provide fertile support to allow the Company to continue to grow and flourish as an industry leader. The Lineage assets and team we have attracted are a natural fit with the Harborside team and will help to power growth in California and elsewhere. Exciting times are ahead."*

Merger/RTO

The RTO is currently structured as a three-cornered merger (the "**Merger**"), whereby Harborside will merge with a newly incorporated company under the laws of Delaware (and a direct, wholly-owned subsidiary of Lineage) to form a merged corporation ("**Amalco**"). Immediately prior to the Merger taking effect, Lineage will consolidate its outstanding common shares on the basis of 41.82 common shares into one (1) new common share (the "**Consolidation**"), reclassify the post-Consolidation Lineage common shares as subordinate voting shares (the "**Subordinate Voting Shares**"), and create a new class of multiple voting shares (the "**Multiple Voting Shares**"). On closing of the RTO and the Merger taking effect, the holders of Harborside's shares will receive either a combination of Multiple Voting Shares and Subordinate Voting Shares, or Subordinate Voting Shares, for each Harborside share outstanding, and Amalco will become a wholly-owned subsidiary of Lineage.

Lineage as the resulting issuer on completion of the RTO and the Merger (the "**Resulting Issuer**") will seek a listing of the Subordinate Voting Shares on the CSE. The Multiple Voting Shares will not be listed for trading on any exchange and will each carry the right to 15 votes at meetings of the shareholders of the Resulting Issuer, and the Subordinate Voting Shares will carry one (1) vote per share held.

Subject to certain conversion limitations, the Multiple Voting Shares are convertible into Subordinate Voting Shares at any time at the option of the holder on a 15:1 basis, subject to adjustment in certain customary circumstances. The conversion limitations will include the Resulting Issuer taking necessary actions to maintain its status as a "foreign private issuer" (as determined in accordance with Rule 3b-4 under the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**")). Accordingly, the Resulting Issuer will not affect any conversion of Multiple Voting Shares to the extent that after giving effect to all permitted issuances after such conversion of Multiple Voting Shares, the aggregate number of Subordinate Voting Shares held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rules 3b-4 and 12g3-2(a) under the Exchange Act) would exceed forty percent (40%) of the aggregate number of Subordinate Voting Shares.

A listing statement in respect of the RTO will be prepared and posted on the CSE website and under the profile of Lineage on SEDAR at www.sedar.com in accordance with Policy 2 of the CSE prior to the closing of the RTO. A press release will be issued once the listing statement has been filed.

Harborside Convertible Debenture / "CD Unit Offering"

From October 2018 up to February 6, 2019, FLRish completed a private placement ("**CD Unit Offering**") of 45,852 units of Harborside (the "**CD Units**") at a price of C$1,000 per CD Unit for aggregate gross proceeds of C$45,852,000, C$37,228,000 of which was issued for cash (the "**Cash Portion**") and C$8,624,000 of which was issued in settlement of certain debts (the "**Debt Portion**"). Each CD Unit consisted of C$1,000 principal amount of unsecured convertible debentures (a "**Harborside Convertible Debenture**") and 87 warrants of Harborside (each, a "**CD Unit Warrant**"). The Harborside Convertible Debentures bear interest at a rate of 12.0% per annum and the interest is payable in cash or by issuing Harborside Class B common shares at a price of C$6.90 per share against the amount of interest due, at the sole option of Harborside. The Harborside Convertible Debentures will mature on October 30, 2021. The principal amount of each Harborside Convertible Debenture is convertible into Harborside Class B common shares at the option of the holder and automatically upon completion of the RTO at a conversion price equal to the lower of: (a) C$6.90; or (b) a 10% discount to Harborside's share price at listing for a financing equal to C$5,000,000 or greater, subject to adjustment in certain customary events. Harborside has the right to prepay the principal amount of the Harborside Convertible Debentures at any time. The Cash Portion of the Harborside Convertible Debentures are governed by a debenture indenture dated as of October 30, 2018, as amended on February 6, 2019 between Harborside and Odyssey Trust Company as debenture trustee. The Debt Portion of the Harborside Convertible Debentures are governed by a debenture indenture dated as of February 6, 2019 between Harborside and Odyssey Trust Company as debenture trustee.

Each CD Unit Warrant is exercisable into one Harborside Class B share at a price of C$8.60 per share until October 30, 2020, subject to adjustment and/or acceleration in certain circumstances. The CD Unit Warrants are governed by a warrant indenture dated as of as of October 30, 2018, as amended on February 6, 2019 between Harborside and Odyssey Trust Company as warrant agent.

Foundation Markets Inc. ("**FMI**") acted as the agent for the CD Unit Offering, and received, along with certain other placement agents, a cash commission equal to 7% of the aggregate proceeds of sales of the CD Units to non-U.S. purchasers and an aggregate of 168,303 broker warrants. Each broker warrant issued in connection with the CD Unit Offering is exercisable into one Harborside Class B share at an exercise price of C$6.90 per share until the earlier of 60 months from October 30, 2018 and 24 months from the completion of the RTO, subject to adjustment and/or acceleration in certain circumstances.

On closing of the RTO, the Harborside Class B common shares issued upon the automatic conversion of the Harborside Convertible Debentures will be exchanged into Subordinate Voting Shares, or a combination of Subordinate Voting Shares and Multiple Voting Shares, and the CD Unit Warrants and the broker warrants will be replaced with equivalent securities of the Resulting Issuer.

Name Change

In connection with the transactions contemplated in the Definitive Agreement, Lineage intends to effect, among other items of special business, a change of its name to "Harborside Inc." and has reserved a new stock symbol to "HBOR".

Proposed Concurrent Financing

Harborside plans to conduct an offering of subscription receipts (the "**Subscription Receipt**") in a private placement to be conducted prior to the closing of the RTO, to raise up to C$70 million (or such other amount as Harborside and Lineage may agree), with a 15% over allotment option (the "**Concurrent Financing**"). Each Subscription Receipt will entitle the holder to receive, automatically and with no further action on the part of the holder upon the satisfaction of certain conditions, one unit of Harborside (an "**SR Unit**") at an issue price per SR Unit to be agreed upon by Harborside and Lineage (the "**Concurrent Financing Price**) with each SR Unit consisting of (i) one Harborside class D share and (ii) up to one common share purchase warrant at a per share exercise price in excess of the Concurrent Financing Price (the "**Concurrent Financing Warrants**"), subject to adjustment in certain customary circumstances, for a period of up to 24 months from the date the Concurrent Financing Warrants are issued. Harborside may agree to modify the terms of the Concurrent Financing in its sole discretion subject to certain conditions.

Harborside is in the process of engaging registered brokers to act as agents in the Concurrent Financing. The terms of the Concurrent Financing will be negotiated between Harborside and the brokers and the expected terms of the Concurrent Financing disclosed in this press release are subject to any terms agreed to by Harborside and the agents. Further details of the Concurrent Financing will be disclosed subsequently once they are agreed upon.

This news release does not constitute an offer to sell or a solicitation of an offer to sell the Subscription Receipts in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Capitalization

Lineage Capitalization

As of January 28, 2019, prior to the Consolidation, Lineage has the following securities issued and outstanding: (a) 75,643,484 Lineage common shares issued and outstanding; (b) convertible debentures with an aggregate principal amount of C$1,333,956, which are convertible into an aggregate of 3,389,781 Lineage common shares at a weighted average conversion price of C$0.33 (more specifically, (i) convertible debt in the principal amount of C$69,956 which is convertible into 349,781 Lineage common shares at a conversion price per share of C$0.20, and (ii) convertible debt in the principal amount of C$1,064,000, which is convertible into 3,040,000 Lineage common share at conversion price per share of C$0.35); (c) warrants exercisable for 23,640,998 Lineage common shares with a weighted average exercise price of approximately C$0.32; and (d) options to acquire a total of 5,613,333 Lineage common shares at a weighted average price of C$0.20. In addition, Lineage has committed or reserved for the payment of advisory fees in Lineage common shares to FMI Capital Advisory Inc. ("**FMICA**") and FMI pursuant to a number of financing advisory agreements. Lastly, Lineage is expected to issue certain securities with respect to the proposed Lineage acquisitions, including securities issuable to the sellers in the acquisitions and the proposed stock dividend in Special Shares (defined below).

Upon closing of the RTO, the 75,643,484 Lineage common shares will be consolidated into and reclassified as 1,808,866 Subordinate Voting Shares, and all Lineage convertible securities will be adjusted based on the Consolidation and will become securities to acquire Subordinate Voting Shares.

Harborside Capitalization

As of February 11, 2019, Harborside has the following securities issued and outstanding: (a) 4,443,622 class A common shares, (b) 15,288,463 class B common shares, (c) 6,250,000 series A-1 preferred shares, (d) 1,422 series A-2 preferred shares, (e) 3,989,124 CD Unit Warrants, (f) Harborside Convertible Debentures in an aggregate principal amount of C$45,852,000 (g) broker warrants to purchase up to 168,303 class B common shares, and (h) an aggregate of 6,556,378 options and contingent stock grants to purchase class A common shares with, a weighted average exercise price of US$0.94 The series A-1 preferred shares and series A-2 preferred shares convert, upon certain occurrences including the proposed Merger, into class B common shares.

Subject to the terms and conditions of the Definitive Agreement, upon closing of the RTO and the Merger:

(i) Each Harborside class A common share shall be converted into the right to receive (A) 0.05 Multiple Voting Shares (the ratio of twenty (20) Harborside class A common share to one Multiple Voting Share is referred to herein as the “**Series A Multiple Voting Share Conversion Ratio**”) and (B) 0.25 Subordinate Voting Shares (the ratio of four (4) Harborside class A shares to one Subordinate Voting Share is referred to herein as the “**Series A Subordinate Voting Share Conversion Ratio**”);

(ii) each Harborside class B common share shall be converted into the right to receive (A) 0.05 Multiple Voting Shares (the ratio of twenty (20) Harborside class B common shares to one Multiple Voting Share is referred to herein as the “**Series B Multiple Voting Share Conversion Ratio**”) and (B) 0.25 Subordinate Voting Shares (the ratio of four (4) Harborside class B common shares to one Subordinate Voting Share is referred to herein as the “**Series B Subordinate Voting Share Conversion Ratio**”);

(iii) each Harborside class C common share shall be converted into the right to receive 0.0667 Multiple Voting Shares (the ratio of fifteen (15) Harborside class C common shares to one Multiple Voting Share is referred to herein as the "**Series C Multiple Voting Share Conversion Ratio**" and together with the Series A Multiple Voting Share Conversion Ratio and the Series B Multiple Voting Conversion Ratio, the "**Multiple Voting Share Conversion Ratio**");

(iv) each Harborside class D common share shall be converted into the right to receive one (1) Subordinate Voting Shares (the ratio of one (1) Harborside class D common share to one Subordinate Voting Share is referred to herein as the "**Series D Subordinate Voting Share Conversion Ratio"** and together with the Series A Subordinate Voting Share Conversion Ratio and the Series B Subordinate Voting Share Conversion Ratio, the "**Subordinate Voting Share Conversion Ratio**"); and each share held by a dissenting shareholder shall be converted into the right to receive payment from the Resulting Issuer with respect thereto in accordance with the provisions of applicable corporate law; provided, however, that the Multiple Voting Share Conversion Ratio, the Subordinate Voting Share Conversion Ratio and the Lineage Subordinate Voting Share Conversion Ratio shall be equitably adjusted as needed to maintain and preserve "foreign private issuer" status as defined in the U.S. Securities Act, to reflect appropriately the effect of any equity split, reverse equity split, equity dividend (including any dividend or distribution of securities convertible into Harborside shares), cash dividends or distributions, reorganization, recapitalization, reclassification, combination, exchange of equity securities or other like change with respect to Harborside shares occurring on or after the date of the Definitive Agreement but not after the effective time of the Merger.

The number of Multiple Voting Shares and Subordinate Voting Shares to be issued upon conversion of all of the Harborside shares and all rights to acquire Harborside shares (excluding shares to be issued upon exercise of the CD Warrants or the Concurrent Financing Warrants) are referred to herein as the "**Harborside Merger Consideration**".

At the effective time of the Merger and the RTO, each CD Warrant, each Convertible Debenture Warrant, Concurrent Financing Warrant, option, other warrants, convertible or exchangeable security or other right to purchase or acquire Harborside shares (each, a "**Harborside Derivative Security**") that is outstanding immediately before the Effective Time, whether vested or unvested, shall, automatically and without any required action on the part of any holder or beneficiary thereof, be assumed by Resulting Issuer and converted into an option, warrant, convertible or exchangeable security or other right, as applicable, to purchase or acquire a number of Subordinate Voting Shares, determined in accordance with the Definitive Agreement, substantially the same terms and conditions as were applicable to such Harborside Derivative Security immediately before the effective time of the Merger and the RTO (including expiration date, vesting conditions and exercise provisions), except that each FLRish Derivative Security shall become a right to acquire that number of whole Subordinate Voting Shares (rounded down to the nearest whole share) equal to the product of: (i) the number of Harborside shares subject to such Harborside Derivative Security immediately prior to the effective time of the Merger and (ii) the number of Subordinate Voting Shares constituting the Harborside Merger Consideration. No fractional Subordinate Voting Shares or Multiple Voting Shares will be issued by virtue of the Merger or the other transactions contemplated by the Definitive Agreement. Instead, if a holder would otherwise be entitled to a fractional Subordinate Voting Share or Multiple Voting Share (after taking into account all certificates representing Harborside shares delivered by such holder), the aggregate number of Subordinate Voting Shares or Multiple Voting Shares, as applicable, to be issued will be rounded down to the next whole number and such holder will not be entitled to any compensation in respect of such fraction.

Resulting Issuer Capitalization

Upon the RTO Closing, the Resulting Issuer will have the following capitalization on a fully-diluted basis, assuming a maximum offering of C$70 million and an issue price of C$950 for the Concurrent Financing:

Designation of Securities	Subordinate Voting Shares (Minimum Offering)	Subordinate Voting Shares (Maximum Offering)	Subordinate Voting Shares (Full Exercise of Over-Allotment Option)
Non-Diluted Subordinate Voting Shares	8,837,476	15,188,689	16,295,633
Total Lineage Convertible Securities (including Special Shares)	3,053,161	3,053,161	3,053,161
Total Harborside Convertible Securities	40,261,283	44,492,861	45,233,388
Total Convertible Securities	43,314,444	47,546,022	48,286,549
Total Fully Diluted Capital	52,151,919	62,734,711	64,582,182

<u>Harborside Proposed Acquisitions</u>

PMACC and SJW

Harborside currently manages and operates two cannabis stores and a cultivation facility for Patient Mutual Assistance Collective Corporation d/b/a PMACC ("**PMACC**") and San Jose Wellness Solutions Corp. d/b/a SJW ("**SJW**"). Harborside also has an option to acquire 100% of the ownership interests in each of PMACC and SJW. Harborside has agreed in the Definitive Agreement to exercise the merger option to acquire PMACC and SJW immediately after the RTO closing, unless there is material change in the business or operations of either PMACC or SJW including tax liabilities arising from the application of IRC280E of more than C$38.7 million, as finally determined by the appropriate governmental authority on or prior to the closing of the RTO. If the Resulting Issuer's board of directors chooses not to exercise the merger options to acquire PMACC and

SJW, on or after the RTO closing, the Resulting Issuer through its affiliates will exercise control over PMACC and SJW through the existing merger option agreements, as well as through other actions taken by Harborside, PMACC and SJW all of which shall be sufficient to effect the Resulting Issuer's control over PMACC and SJW such that on the RTO closing, the Resulting Issuer may consolidate the financial results of PMACC and SJW.

Proposed Stock Dividend to Lineage Shareholders

Prior to closing of the RTO and prior to the Consolidation taking effect, Lineage expects to file articles of amendment to create a class of unlimited number of special shares (the "**Special Shares**") issuable in three series: Series A special shares (the "**Series A Special Shares**"), Series B special shares (the "**Series B Special Shares**"), and Series C special shares (the "**Series C Special Shares**").

The Special Shares will be non-voting and will not be entitled to receive notice of meeting of shareholders, unless otherwise required by law. The Special Shares will not be entitled to vote as a separate class, unless otherwise required by law. The Special Shares will not receive any dividend and will not participate in distribution of Lineage's assets in case of dissolution or winding up.

Each Series A Special Share will be automatically converted into one pre-Consolidation Lineage common share upon the completion of the RTO and Merger without payment of additional consideration or any further action by the holder. Each Series B Special Share will be automatically converted into one pre-Consolidation Lineage common share upon the completion of the proposed acquisition of shares of Lucrum Enterprises, Inc. d/b/a LUX (the "**Lux Acquisition**") without payment of additional consideration or any further action from the holder. Each Series C Special Share will be automatically converted into one pre-Consolidation Lineage common share upon the completion of the proposed acquisition of Walnut Oaks, LLC d/b/a Agris Farms (the "**Agris Farms Acquisition**") without payment of additional consideration or any further action from the holder.

Lineage will declare and pay a stock dividend to holders of Lineage common shares as of the record date which is expected to be the business day prior to the closing date of the RTO, in aggregate (a) 44,775,040 Lineage Series A Special Shares; (b) 11,513,581 Lineage Series B Special Shares; and (c) 14,072,155 Lineage Series C Special Shares.

If after the issuance of the Special Shares, the Lineage common shares are consolidated in the Consolidation and are reclassified on a post-Consolidation basis as Subordinate Voting Shares, then the number of underlying shares will be adjusted so that 41.818182 Special Shares will be converted into one Subordinate Voting Share.

Unless all of the Special Shares shall have otherwise been converted on or prior to April 30, 2019 with respect to Series A Special Shares, or 180 days after the RTO closing with respect to Series B Special Shares and Series C Special Shares, the applicable Special Shares shall be automatically redeemed and shall be deemed to be redeemed without any act by holders, at a redemption price of C$0.000001 per Special Share. All Special Shares redeemed by Lineage will be cancelled.

Lineage Meeting

Lineage will convene a special meeting of its shareholders to approve the amendment to the articles of Lineage to create the Special Shares, amendment to the articles of Lineage to create the new share provisions for the Subordinate Voting Shares and the Multiple Voting Shares, the Consolidation, a new equity incentive plan, an updated set of by-laws which will include advance notice provisions, and the change of name of the Resulting Issuer, which matters will be set out in a management information circular of Lineage to be mailed to shareholders of Lineage (and filed at www.sedar.com). With respect to the shareholder approval of the RTO, in additional to the shareholder approval required under corporate law, Lineage also expects to obtain a majority of minority approval for the RTO where a total of approximately 8,639,875 Lineage common shares held by Lineage insiders and FMI will be excluded from voting, to satisfy the requirements under Ontario Securities Commission Rule 56-501 – Restricted Shares, which requires that a restricted security reorganization receive prior majority of minority approval of the shareholders of Lineage.

Lineage will also prepare and file with the CSE a CSE Form 2A listing statement providing comprehensive disclosure on Harborside, the RTO and the Merger in connection with the CSE Listing. Lineage will use its best efforts to mail the listing statement to the Lineage shareholders with the meeting materials and will in any event file the listing statement on SEDAR prior to the special meeting.

About Harborside

Harborside was co-founded by Steve DeAngelo and dress wedding in 2006, after being awarded one of the first six medical cannabis licenses granted in the United States. As one of the oldest, largest and most respected cannabis retailers in the world, Harborside has played an instrumental role in making cannabis safe and accessible to a broad and diverse community of California consumers. Today, the Harborside brand is well known throughout California and all around the world, and is expanding, expecting to grow to five or more locations in 2019. In addition, Harborside owns and operates a cultivation campus in Salinas, California that was established in 2016 and produces high-quality, low-cost cannabis at scale for sale through the Harborside dispensaries, third-party dispensaries, distributors, and manufacturing partners. Harborside is currently structured as a private California corporation.

About Lineage

Lineage is a reporting issuer that is listed on the CSE. Lineage is currently focused on operating two retail licensed stores located in two prominent cities in Oregon (Portland and Eugene), and on assembling licensed operators with good growth potential and superior management, either through direct acquisition or through joint ventures, with an aim towards building a dominant vertically-integrated cannabis business that leverages best-in-class cultivation, brands, distribution, and retail assets. Lineage has entered into a purchase agreement with respect to the Agris Farms Acquisition and a binding letter of intent with respect to the Lux Acquisition.

About the Resulting Issuer

The Resulting Issuer's business objective will be to maintain and build its position as one of California's premier vertically-integrated cannabis companies.

Upon completion of the transactions contemplated in the Definitive Agreement, including the Merger, the current directors and officers of Lineage (other than Mr. Peter Bilodeau, Lineage director and CEO, Mr. Keith Li, Lineage CFO, and Mr. Adam Szweras, Lineage director and Corporate Secretary) will resign and it is currently expected that the proposed board of directors and senior management of the Resulting Issuer will include the following individuals:

Andrew Berman	-	Chief Executive Officer, President, and Director
Peter Bilodeau	-	Chairman, Director
Matthew K. Hawkins	-	Director
Tracy Geldert	-	Director
Adam Szweras	-	Director
Nayir Munoz	-	Director
Sherri Altshuler	-	Director
Keith Li	-	Chief Financial Officer
John (Jack) H. Nichols	-	General Counsel & Secretary
Menna Tesfatsion	-	Chief Operating Officer

Set forth below is information on each individual that is currently anticipated to be a director or officer of the Resulting Issuer upon closing of the RTO.

Andrew Berman, Chief Executive Officer, President and Director: Andrew Berman is a versatile executive with a unique background and skill set. Mr. Berman has a B.A. from the University of Michigan and a J.D. from the University of Miami School of Law. He clerked for two federal judges and practiced law for eleven years in San Francisco before joining the Business Affairs group at America Online. After AOL, Mr. Berman became CEO of AirLink Communications, Inc., an early-stage wireless data company located in Hayward, California whose success culminated with a merger into Sierra Wireless, Inc. Staying aboard as the publicly traded company's Senior Vice President & General Manager, Mr. Berman led all facets of Sierra Wireless's AirLink business unit, including its North American growth and international market expansion. Berman then joined Cricket Media, Inc., a public company in the education media sector, as Chief of Staff to the CEO. Most recently, Mr. Berman was an Entrepreneur in Residence at ZG Ventures, LLC, a prominent venture capital firm based in Washington, DC. Mr. Berman also has extensive experience in local government and community relations, having served as a Councilmember and also two terms as Mayor of The City of Mill Valley, California. His public service also includes serving as Chair of the Marin County Telecommunications Agency, and on local Planning Commissions and on County Emergency Medical Boards, through which he developed expertise in land-use and public policy issues at the local level.

Peter Bilodeau, Chairman: Peter Bilodeau has been the President and CEO of FMI from May 2017, and President and CEO of FMICA since April 2017. Since December 2017, Mr. Bilodeau has served President and director of Quinsam Capital Corp. Mr. Bilodeau also currently serves as the CEO and as a director of Lineage and President of Wingold Energy Corp. Mr. Bilodeau has numerous business interests in various sectors, including cannabis, oil and gas, corporate finance, real estate investments, management financial consulting and the retail sign business. Prior to launching his entrepreneurial career, Mr. Bilodeau worked for one of Canada's major chartered banks quickly advancing to the senior management ranks. He is a former real estate appraiser with extensive experience in real property valuation. Mr. Bilodeau has an MBA with a specialty in Financial Services, from Dalhousie University, Halifax, Nova Scotia, Canada.

Matt Hawkins, Director: Matt Hawkins is the founder and managing principal of Cresco Capital Partners, LLC ("**Cresco**"), a private equity firm focused specifically on investing in the legalized cannabis industry. Since its inception in the summer of 2015, Cresco has made 15 investments out of its first fund and is currently raising this fund, Fund II, and 6 investments have been made to date from it. Collectively, as of the fall of 2018, over $40 million has been deployed in the cannabis industry by Cresco and affiliates since 2015. Prior to the founding of Cresco, he was a partner and President of a private real estate investment company which acquired REO and NPL from banks and financial institutions across the country, with particular interest in multifamily residential and self-storage assets. The company completed more than 55 bank-direct acquisitions, deploying over $500 million of capital since Q4 2008. In 2013 alone, the company bought close to 10,000 Class B and Class C value-add multifamily units across the Sunbelt of the United States. At the end of 2013, Matt and his partners sold their interest. Prior to this, Matt was a Principal/ Co-founder of San Jacinto Partners, a fund focused on the bulk acquisition of single family residential assets and the Managing General Partner of Adjacent Capital, L.P., a private equity/specialty lending fund. He was earlier affiliated with Treadstone Partners, L.L.C., a distressed debt and equity fund. He has an extensive background in both turnaround management and private equity. Prior to joining Treadstone and forming Adjacent Capital and San Jacinto Partners, was associated with Hull & Associates, a regional turnaround management firm. Matt is a graduate of The University of Texas at Austin.

Tracy Geldert, Director: Tracy is currently Chief Operator for London-based Ten Group which provides lifestyle management and concierge services for a multitude of businesses focused on the mass affluent. Tracy joined Ten to lead the rapid development of the Americas - to realize the potential, raise the bar for service and to bring the region to a self-sustaining financial position. The region has demonstrated success in securing multiple blue chip contracts and last year completed its IPO listing on LSE. Before Ten Group, Tracy was in multiple senior executive roles for Francis Ford Coppola Presents including COO and CEO where she was responsible for growing the business to over 500 employees and for developing a highly profitable business over a ten-year period. The Coppola business portfolio included wineries, restaurants, and resorts. Prior to joining Coppola Tracy spent 13 years with Gap, Inc., including implementing brand strategy across 16 states and managing territories up to $400million in annual store sales. She participated in the launches of new businesses including babyGap, GapBody and GapMaternity. She emerged as a key player joining the corporate global marketing team where she helped to oversee implementation of the store experience for 1800 Gap brand stores throughout the U.S., Canada, Europe and Japan.

Adam Szweras, Director: Adam Szweras, is a partner with Fogler, Rubinoff LLP in Toronto where he practices securities law, and Chairman of the Foundation Markets group of companies, which acts as financing agent and capital markets advisor to mid-market rapid growth companies. He has practiced law for 23 years and headed Foundation Markets for 13 years. As legal counsel and banker/advisor, Adam works with a number of cannabis companies around the world in their efforts to navigate regulatory requirements, list and finance, as well as with their M&A efforts. He is a director of several public companies including Aurora Cannabis Inc., Quinsam Capital Corp., and is co-Chair of the board of Nutritional High International Inc. Mr. Szweras has particular experience with cross border listing transactions for high growth companies.

Nayir Felix Munoz, Director: Nayir is an HR professional with twelve years in the cannabis industry, fifteen years of management experience, and 22 years of retail experience. Over the last twelve years she has worked on the forefront of the cannabis industry with Harborside where she has worked to create an unmatched cannabis consumer experience and developed one of the most highly regarded cannabis teams in the industry. Her most recent position was Chief Administrative Officer for Harborside. Prior to Harborside, Ms. Munoz worked for Nordstrom for twelve years in sales, training, and information systems management. Ms. Munoz holds a Bachelor’s of Science degree in Business Administration, with an emphasis in Computer Information Systems from San Francisco State University. In 2011, she earned her Professional in Human Resources (PHR) Certification.

Sherri Altshuler, Director: Sherri Altshuler is a partner at Aird & Berlis LLP and a member of the firm's Capital Markets, Corporate/Commercial and Cannabis Groups. Ms. Altshuler's practice focuses on public and private financings, go-public transactions (initial public offerings, reverse takeovers and qualifying transactions), listing on the TSX, TSXV and CSE, mergers, acquisitions, continuous disclosure, corporate governance and ongoing corporate matters. In 2017, Ms. Altshuler was recognized as one of Lexpert magazine's Rising Stars: Canada's Leading Lawyers Under 40 and, in 2018, was recognized as a leading lawyer to watch in the area of Corporate Finance & Securities. She is a member of the Ontario Securities Commission Small and Medium Enterprises Committee and a member of the TSX Venture Exchange Ontario Advisory Committee. Ms. Altshuler also instructs Corporate Finance at Windsor Law School.

Keith Li, Chief Financial Officer: Keith Li is a finance professional with over ten years of corporate accounting and audit experience. He specializes in providing management advisory services, accounting and regulatory compliance services to companies in a number of industries. Mr. Li began his career in the public accounting sector as an auditor at UHY McGovern Hurley LLP. Prior to joining Lineage, Mr. Li held senior level positions for several publicly-held and private companies. Mr. Li is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Commerce from McGill University.

John (Jack) H. Nichols, General Counsel and Chief Compliance Officer and Corporate Secretary: Jack Nichols has more than 20 years of exceptional experience in law enforcement, civil and criminal litigation, international business development and legal compliance. Mr. Nichols enjoyed a highly successful career in law enforcement that started as a patrolman with the NYPD. He subsequently served as a detective with the Maine Attorney General's Office where he investigated anti-trust violations and complex white-collar crimes. In 2006, Mr. Nichols obtained his JD from Northeastern University School of Law. Upon graduation, he became Assistant Attorney General in the US Virgin Islands where he was cross-designated to litigate both civil and criminal matters, with an emphasis on public corruption and violent crime prosecutions. Mr. Nichols later served as Special Assistant U.S. Attorney in the District of Maine, prosecuting firearms and narcotics violations in Federal court. Prior to joining Harborside in 2015, he worked for a private company as in-house counsel, where he has assisted government agencies in the formulation and enforcement of medical marijuana regulations and lent his expertise to private companies in the cannabis industry as they navigated the challenging world of legal compliance.

Menna Tesfatsion, Chief Operating Officer: Menna Tesfatsion will be the Chief Operating Officer of Harborside, overseeing and managing all operations across all business units of Harborside. Mr. Tesfatsion is also the founder, President and Chief Executive Officer of Agris Farms, and has extensive experience in all aspects of cannabis cultivation and wholesale sales and well as the development and permitting of cannabis cultivation, processing, and manufacturing facilities. Mr. Tesfatsion has also founded, launched, and operated three other successful, high-growth companies. Mr. Tesfatsion is well versed in all California cannabis rules and regulations. He also has extensive legal experience, having practiced law in two of the largest law firms in the world after graduating from New York University School of Law.

RTO Closing Conditions

The completion of the RTO and the Merger is subject to a number of conditions, including but not limited to the following:

- conditional approval of the CSE of the RTO and the listing of the Subordinate Voting Shares;
- approval of Lineage shareholders of the RTO and related matters;
- completion of a minimum of C$10 million in the Concurrent Financing; and
- completion of the RTO and Merger on or prior to April 30, 2019.

There can be no assurance that the RTO or the Merger will be completed as proposed or at all.

Further information

Further details about the RTO, the Merger and the Resulting Issuer will be provided in the Listing Statement to be prepared and filed in respect of the transaction on the SEDAR profile of Lineage. Investors are cautioned that, except as disclosed in the Listing Statement to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the common shares of the Lineage should be considered highly speculative.

Harborside Media Contact

Robert Vanisko
North 6th Agency
212-334-9753 ext.112
Email: harborside@n6a.com

Lineage Media Contact

Lineage Grow Company Ltd.
Attention: Peter Bilodeau, President & CEO
Phone: 519.919.6500
Email: pbilodeau@foundationmarkets.com

Forward-Looking Information Statement

This news release contains statements and information that, to the extent that they are not historical fact, constitute "forward-looking information" within the meaning of applicable securities legislation, including statements in respect of the terms of the proposed merger, statements in respect of completion of the proposed Merger, statements in respect of the terms of Concurrent Financing, management's expectation on Harborside becomes a great, value based, force to contend with in the public markets; Harborside management's plan to move through 2019 with more assets and the resources to quickly expand its retail platform, drive revenue, and continue to deliver trust, choice and value to its patients and customers; Harborside management's belief that the combination with Lineage significantly bolsters Harborside's retail program and vertically-integrated, California-centric business model, and positions Harborside for growth and tremendously exciting times for the company, its staff and the industry; and Harborside management's belief that Lineage can help Harborside continue to build on its legacy and spread Harborside's mission. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. There is no assurance that the transactions contemplated by the Definitive Agreement (including the Merger) will be completed as proposed or at all.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Lineage to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for Lineage's management to predict all of such factors and to assess in advance the impact of each such factor on Lineage's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. For details of the risks faced by Lineage, please see Lineage's interim management discussion and analysis for the three and nine months ended October 31, 2018 available at www.sedar.com under Lineage's profile. There is no certainty that any of these events will occur. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. All forward-looking information herein is qualified in its entirety by this cautionary statement, and Lineage disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by applicable securities laws.

The CSE has in no way passed upon the merits of the transactions contemplated in the Definitive Agreement (including the Merger) and has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

None of the securities of Lineage, Harborside or the securities to be issued in the Concurrent Financing or the RTO have been or will be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.