

CARPINCHO CAPITAL CORP.

CARPINCHO CAPITAL CORP. ANNOUNCES SECOND CLOSING OF BUSINESS COMBINATION EQUITY FINANCING

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Toronto, Ontario (May 18, 2018) – Carpincho Capital Corp. ("**Carpincho**") is pleased to announce that, further to its news release dated April 26, 2018, 10653918 Canada Inc. ("**Finco**") has completed its second tranche of its private placement of subscription receipts (the "**Subscription Receipts**"), whereby Finco issued 3,226,300 Subscription Receipts, on a non-brokered basis, at a price of C\$0.80 per Subscription Receipt for aggregate gross proceeds of approximately C\$2.58 million (the "**Tranche 2 Offering**"). The Subscription Receipts were issued on the same terms and conditions as those issued in the prior C\$22.5 million brokered and non-brokered offering (and together with the Tranche 2 Offering, the "**Offering**"), details of which are more particularly described in the news release of Carpincho issued on April 26, 2018 and available on Carpincho's issuer profile on SEDAR at www.sedar.com. To date, the Offering has raised gross proceeds of approximately C\$25 million.

The funds from the Offering are being held in escrow pending the completion of the acquisition of all of the outstanding shares of MM Development Company, Inc. ("**MMDC**"), a leading Nevada-based vertically-integrated cannabis company, by Carpincho in exchange for shares of Carpincho following a consolidation of the outstanding common shares of Carpincho on a 0.875 (new) for one (1) (old) basis, and the amalgamation of Finco with a wholly-owned subsidiary of Carpincho (collectively, the "**Proposed Transaction**").

The Proposed Transaction is subject to a number of conditions, including: (i) all requisite shareholder, regulatory (including the approval of the Nevada Department of Taxation) and third party approvals; and (ii) the common shares of the resulting issuer from the Proposed Transaction shall have been conditionally approved for listing on the Canadian Securities Exchange. There can be no assurance that the Proposed Transaction will be completed as currently proposed or at all.

Further Information

For further information regarding the Proposed Transaction, please contact:

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Cautionary Note Regarding Forward-Looking Information

*This news release contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the completion of the Proposed Transaction; the anticipated benefits of the Proposed Transaction to Carpincho, MMDC, Finco and their respective securityholders; the timing and receipt of the required shareholder, stock exchange, regulatory and other approvals for the Proposed Transaction;*

the timing and ability of the parties to satisfy the escrow release conditions to the Offering and the conditions precedent to completing the Proposed Transaction; future growth potential of the resulting issuer from the Proposed Transaction; and future development plans.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; and the delay or failure to receive board, shareholder or regulatory approvals. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Carpincho, MMDC and Finco assume no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

*The securities offered in the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons, absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.*