# Maple Leaf Signs Agreement to Lease Greenhouse Facilities within NW British Columbia to Grow Medical Marijuana

## MAPLE LEAF GREEN WORLD INC.

## (TSX-V: MGW)

#### For Immediate Release

# April 22, 2014 - \$0.075

Maple Leaf Green World (MGW-V) ("**Maple Leaf**" or the "**Company**") announces that the Company has signed an agreement to lease (the "**Agreement**") with Woodmere Nursery Ltd. ("**Woodmere**"), a private operator for almost 30 years of greenhouse facilities in Telkwa, B.C., approximately 11 kms southeast of Smithers and 350 kms east of Prince Rupert, British Columbia, along CN's Jasper to Prince Rupert rail line. The Agreement provides that the parties will enter into a definitive lease for a term of three years, including a purchase option for the entire 7 acre facility, upon receipt by the Company of conditional approval of an MMPR Licence (marijuana medical purposes regulation licence) from Health Canada. The Lease is also subject to any requisite regulatory approvals, including those of the TSXV and any licensing authorities having jurisdiction over the proposed operations of the Company.

The Lease terms will provide for utilization of 80,000 sq ft of greenhouse space (specific facilities to be determined at the time of finalization of the Lease) and access to Woodmere's equipment and laboratory for the purpose of growing medical marijuana, at a base rental of \$3.00 per sq. ft. per annum. All utilities, property tax, repair and maintenance expenses, as well as upgrade costs on the leased property will be borne by the Company.

Maple Leaf has an option to buy out the entire nursery facility at "market price"; being the price negotiated between the parties, and failing agreement, determined by an independent appraiser.

There is no assurance that the Company will be qualified to obtain requisite licences and if so, will be able to obtain regulatory approvals for such licences. Additionally, there is no assurance that the Company will be able to acquire the required financing, assets or personnel to become a grower of medical marijuana, if licensed to do so.

Utilizing the 80,000 sq ft greenhouse space as it base of operation, Maple Leaf plans to apply the MMPR License for growing 7,000 kg of marijuana per year. If the demand increases, the Company can expand the space by exercising its option to acquire the whole Woodmere facility.

The Company's choice of the Woodmere facility in Telkwa is based on various factors, including that it has room for accessible rapid facility growth with a total of seven acres (about 300,000 sq ft) of computer controlled greenhouses, over 28 years of experience in growing and research in this facility, location security and an economical platform upon which to develop the Company's business. The Woodmere facility is made up of several greenhouse complexes that will permit Maple Leaf to use individual greenhouses to customize growing regimes, thus obtaining "fit for purpose" cropping cycles, to provide product availability at different times consistently and also to grow different strains in different greenhouses. All Woodmere greenhouses have artificial lighting to enhance photoperiod capabilities, thus increasing vegetative growth. Two acres (90,000 sq ft) of the greenhouse complex have black-out curtains that can be used to reduce ambient day length to initiate and enhance bud development. The facility's water source is also optimum for plant growth in terms of chemical and pathological analysis as proven in the last 28 years of operation without any additional chemical or mechanical processes applied to the water. Woodmere also has a well equipped laboratory for quality assurance and research and development of efficient growing methods to reduce production costs and breed new plant strains with

higher CBD. 13,000 square feet of cold storage space is also on site to provide cold storage of between  $1^{\circ}$ C to  $5^{\circ}$ C to harvested material to maintain their potency and freshness is also available within the Woodmere facilities.

The leased facility already has a basic security system in place, and the Company expects that security can be easily upgraded to meet Health Canada's requirements. The isolated nature of Woodmere's location provides somewhat of a natural security situation for the facility.

Mr. Joe Wong, the Company's Director and V.P. of Operations is also a minority shareholder of Woodmere, holding 30% of Woodmere's shares and serving Woodmere as president, general manager and a director and as such, the Lease transaction will constitute a "related party transaction" in accordance with TSXV Policy 5.9, incorporating MI 61-101. However, it is the view of the Company's independent directors that the Lease is on reasonable commercial terms that, considered as a whole, are not less advantageous to the Company than if the Lease was with a person dealing at arm's length with the Company, and in any event, the fair market value of the transaction contemplated by the Lease does not exceed 25% of the Company's market capitalization, and thus is not subject to formal valuation or minority approval requirements.

For further information regarding Maple Leaf Green World Inc., visit <u>www.mlgreenworld.com</u> or contact:

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# About Maple Leaf Green World Inc.

Maple Leaf is a Canadian company that focuses in the agricultural/environmental industry with two main areas of activity:

- 1. Eco-Agriculture it pursues several projects around the world. In China, it is focused on growing value-added tree seedlings and nursery products that assist with anti-desertification.
- 2. Renewable Energy it pursues various renewable energy projects around the world, including Yellowhorn in China which would provide valuable Yellowhorn seeds and ultimately oil from such seeds for the manufacture of bio-diesel fuel and premium healthy cooking oil.

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Certain statements in this news release including (i) statements that may contain words such as "anticipate", "could", "expect", "seek", "may" "intend", "will", "believe", "should", "project", "forecast", "plan" and similar expressions, including the negatives thereof, (ii) statements that are based on current expectations and estimates about the markets in which Maple Leaf operates and (iii) statements of belief, intentions and expectations about developments, results and events that will or may occur in the future, constitute "forward-looking statements" and are based on certain assumptions and analysis made by Maple Leaf. Forward-looking statements in this news release include, but are not limited to, statements with respect to future capital expenditures, including the amount, nature and timing thereof; other development trends within the agricultural industry, and status of, and ability to capitalize on, opportunities available to the Company and review business strategy; expansion and growth of Maple

Leaf's business and operations and other such matters. Such forward-looking statements are subject to important risks and uncertainties, which are difficult to predict and that may affect Maple Leaf's operations, including, but are not limited to: the impact of general economic conditions; industry conditions; available equity or debt financing; government and regulatory developments including availability of requisite licences; product supply and demand; competition; and Maple Leaf's ability to attract and retain qualified personnel. Maple Leaf's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do transpire or occur, what benefits Maple Leaf will derive there from.

Maple Leaf maintains a forward-looking statement database which is reviewed by management on a regular basis to ensure that no material change has occurred with respect to such forecasts. The Company will publicly disclose such material changes to its forward-looking statements as soon as they are known to management.