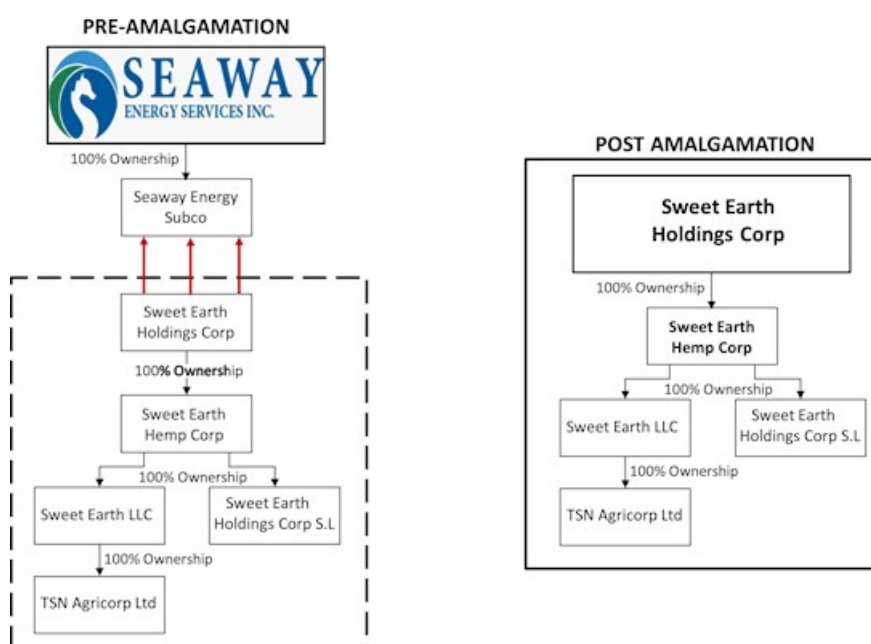


Seaway Energy Receives Approval for Its Amalgamation with Sweet Earth Holdings and Listing on the CSE Exchange

Vancouver, British Columbia--(Newsfile Corp. - February 24, 2020) - Seaway Energy Services (TSXV : SEW.H) (the "Company" or "Seaway") is pleased to announce that it has received conditional approval from the Canadian Securities Exchange ("CSE") for its proposed three corner amalgamation with Sweet Earth Holdings Corp. (the "Transaction"), an established hemp cultivator with full product line in hemp and CBD infused products. The Company's wholly owned subsidiary and Sweet Earth Holdings Corporation will be amalgamated into a company to be held by the Company (after the completion of the Transaction, the "Resulting Issuer").

Prior to completion of the Transaction, the Company will delist from the TSX Venture Exchange and subsequently will complete a consolidation on the basis of one post-consolidation common share in the capital of the Company for every two and one half pre-consolidation common shares in the capital of the Company. As highlighted in Diagram 1, the amalgamation provides a three-cornered structure whereby Seaway Subco and Sweet Earth Holdings Corp. ("Sweet Earth") combine to form Amalco with holders of common shares in the capital of Sweet Earth receiving the Resulting Issuer Shares, on a post-Consolidation basis.

Diagram 1: Amalgamation Structure



To view an enhanced version of Diagram 1, please visit:

https://orders.newsfilecorp.com/files/3581/52722_3dec985424e09852_002full.jpg

The completion of the Transaction is subject to a number of conditions, including shareholder approval of the shareholders of Sweet Earth, the completion of the Consolidation, approval of the delisting of the common shares in the capital of the Company from the TSXV, and other conditions customary for transactions of this type.

About Sweet Earth

Sweet Earth is a vertically integrated "farm to shelf" hemp grower with a farm in Applegate, Oregon, that maintains a full line of hemp and CBD products for the US and global market. In addition, the Company has secured farmland in Spain for the 2020 growing season. Most recently Sweet Earth was awarded "Best CBD Products^[1]" at the Global MJBiz conference, the largest such conference globally.

Sweet Earth's products combine CBD with herbal and organic ingredients, all of which are selected for their beneficial properties that soothe, rejuvenate, and reduce inflammation. In addition to, high-end finished products, Sweet Earth prides itself on sustainability by minimizing the use of plastics in both production and packaging.

Sweet Earth's in-house genetics team has been working on its own proprietary hemp strain. This strain has been grown in its indoor greenhouse resulting in high yielding CBD rich flower. Sweet Earth looks forward to planting this new strain outdoors for the 2020 season.

Key assets and core products include the following:

- 100 acres of leased outdoor cultivation agricultural land located in Applegate, Oregon

- 25 acres of farmland in Spain
- Proprietary strain includes CBD, CBG and CBN, the latter two which are known for medical purposes. CBG is especially effective for certain physiological systems and symptoms and CBN is currently being studied for bone tissue growth^[2]
- 6 greenhouses for breeding, planting and R&D (30,000 sq. feet)
- Modern drying and storage facility with high-performance European drying system (20,000 sq. feet) currently under construction
- In situ assets, including labs and machinery of approximately \$11.2 million
- South American and European retail distribution partners
- Full line of white label products

Sweet Earth has a diverse and expanding line of products sold under its proprietary brand "Sweet Earth" can be purchased in spas, clinics, boutiques and online.

Online site: <https://sweetearthcbd.com/>.

Products have two key base markets: (1) skincare / cosmetics, and (2) dog treats.

Sweet Earth's cosmetic line of CBD rich products have a wholesome natural base of custom-blended ingredients such as hemp, organic honey, lavender, cocoa butter, and oatstraw. Sweet Earth currently has thirteen cosmetic products with four new products estimated to be added to the line each month:

- ***CBD Hydrating Oat and Honey Facial Cleanser***: A mild facial cleanser designed for all skin types.
- ***CBD Balancing Jasmine Body Oil***: A body oil made with a blend of natural oils to nourish the skin.
- ***Organic CBD Invigorating Turmeric Neem Body Scrub***: A fresh body scrub designed to soften and brighten the skin.
- ***CBD Rejuvenating Eucalyptus Mineral Salt Soak***: A eucalyptus infused bath salt made with natural minerals.
- ***Organic CBD Hydration Cream***: A lightweight, hydrating skin moisturizer.
- ***Organic CBD Salve***: A cocoa-butter based salve designed to sooth and rejuvenate the skin.
- ***Organic CBD Lip Balm***: A rich lip balm that provides relief for dry, chapped lips
- ***CBD Muscle Recovery Rub*** - Rub on to sore or tired areas for soothing relief.

Sweet Earth's skincare line also includes a complete line of daily use products for men:

- ***CBD Beard & Face Cleansing Wash*** - A rejuvenating and refreshing cleansing wash
- ***CBD Shaving Cream*** - Skin nourishing, leaves skin soft and smooth without a trace of razor burn.
- ***CBD Soothing Aftershave*** - CBD soothing aftershave helps tone and rebalance skin after shaving.
- ***CBD Beard & Mustache Oil*** - Style and soften beard and mustache.
- ***CBD Styling Balm*** - Nourishes as it keeps hair in place

CBD dog treats have become increasingly popular with dog owners (Source: Daily Infographic Animals). Sweet Earth's CBD dog treats are made with ingredients such as organic spelt flour, apple concentrate, eggs, and flaxseed oil. Sweet Earth currently has seven flavours of CBD dog treats:

- Beef & Cheddar Potato;
- Turkey & Sweet Potato;
- Peanut Butter Crunch;
- Sweet Potato Cranberry;
- Pumpkin Flax;
- Apple Carrot Oat; and

- Antioxidant Blueberry Fax

For both its cosmetics and dog treats, through small-batch processes, Sweet Earth ensures high-quality products and sustainably sourced ingredients.

Sweet Earth Holdings does not participate in THC products or the growth or production of marijuana related products; it focuses purely on hemp and CBD/CBG and CBN rich products all containing under 0.3% THC.

Market size and Opportunity

Hemp

Hemp has been growing rapidly in USA and globally over the past few years. In the United States alone, The Brightfield Group estimates that the CBD hemp market could grow to reach \$22B by 2022 (Source: Brightfield Group Business Insider). CBD has had a huge surge in popularity over the last couple years as consumers are drawn to its calming and other positive effects.

Since 2014, total acreage of hemp grown in the United States has increased to over 23,000 acres with an estimated 55% of that cultivation dedicated to hemp used in the production of CBD extracts. (Source: New Hope Network, The CBD Summit. March 7, 2018.)

While United States-based hemp cultivation is a relatively new industry, there is significant international acreage, especially across the European Union.

According to the European Industrial Hemp Association ("EIHA"), hemp is cultivated on 33,000 hectares (2016) in the European Union (Source: European Union Hemp Association Press). As can be seen in the graphic below, the largest cultivation member's states are France and the Netherlands. Hemp is mostly produced in Europe for textiles.

According to Hemp Business Journal, the US hemp market in 2017 reached US\$820 million, US\$190 million of which were for hemp-derived CBD products (Source: European Union Hemp Association Press). Hemp Business Journal estimates the US hemp market to reach US\$1.9 billion by 2022, approximately US\$646 million will be from hemp-derived CBD products (Source: Hemp Business Journal). Hemp Business Journal further indicates that the top three revenue-generating hemp-based product categories are: (i) hemp-derived CBD products; (ii) personal care products; and, (iii) products for industrial applications (Hemp Business Journal).

CBD

CBD has drawn so much interest and demand from consumers that it is incorporated into all kinds of food, beverages, cosmetics, and other products. According to numerous hemp/CBD focused articles, new CBD products introduced in 2018 include: CBD-infused alcohol & non-alcoholic beverages by Long Trail Brewery^[3]; CBD shampoo and skin care line by Cibaderm^[4]; a line of CBD chocolate bars introduced by California based Kiva^[5]; and, full product lines, including yoga by Sacred Biology^[6]. CBD pet products have become very popular for various types of animals, including cats, dogs, horses, and especially for aging pets. These products are not only popular with the animals and owners, but are also endorsed by veterinarians both in Canada and the US.^[7]

In 2019, there has been huge adoption of CBD from leading worldwide companies. In March of 2019, the two largest drugstore chains in the US, CVS and Walgreens, both announced they will carry and sell CBD products.^[8] Products being sold by CVS include topicals such as creams, sprays, roll-ons, lotions and salves. Additionally, Unilever, one of the world's largest consumer good companies announced a line of CBD products beginning with a hemp/CBD infused deodorant.^[9]

Trade Halt and Recommencing of Trading

The Company has been trade halted since its April 15, 2019 announcement of the definitive agreement with Sweet Earth Holdings Corp^[10]. Seaway currently has 27,842,583 outstanding shares that will be consolidated into 11,137,033 post-consolidation shares while Sweet Earth Holdings Corporation has 51,546,799 outstanding shares. Most recently, Sweet Earth Holdings Corporation conducted a financing at \$0.40. Post transaction the Resulting Issuer will have an aggregate of 79,389,382 outstanding shares.

The Resulting Issuer expects to recommence trading on the CSE as soon as closing documentation is complete. In addition, it expects to commence trading on the OTC QX and Frankfurt Exchange soon thereafter.

The Company will continue to provide shareholder and corporate updates going forward.

Change of Board Members

Pursuant to the transaction the following individuals have been proposed for the Board of Directors:

Peter Espig

Since, 2013 Mr. Espig has served as the CEO of Nicola Mining Inc. where he was brought on to save the company from

imminent insolvency; he led the company into and out of CCAA and the market capitalization has increased fivefold under his helm. He is also the CEO of Seaway Energy Inc. and is the former CFO and CEO of Long Harbour Capital, which he successfully led through its acquisition. He has served on numerous boards, audit committees and special committees on NASDAQ, TSX Exchange and in the private sector, internationally.

He is a global pioneer in special acquisition companies (SPACs) and is an experienced turnaround expert in multiple business sectors on an international scale by leveraging expertise in the analysis of investment opportunities, raising capital, deal sourcing, financial restructuring, and growing businesses. The former Goldman Sachs and Olympus Capital Asia executive has structured and raised capital for over US\$2.5 billion in private equity and pre-IPO investment transactions and has been involved in corporate recapitalizations and turnarounds of over \$5.0 billion.

He was a Chazen International Scholar at Columbia University (MBA), a member of the 1986 UBC National Championship football team and is an active philanthropist.

Sergio Guzman

Sergio has been working for the past several years in the Panamanian rural regions overseeing a vast array of Agricultural projects. He has had a hands-on approach to all aspect of the Agricultural business including planning, budgeting, and preparation of financial statements.

Being of Colombian decent, Sergio has adapted to the different accounting policies of those in Latin and North America. Mr. Guzman has proven to be a competent member of the audit committee for many private companies bringing his relevant experience in business and valuable insights and perspectives to the areas of the committee's responsibility. His knowledge of governance, independence and understanding of the roles of internal and external audit make him a valuable committee member.

Mr. Guzman attended the Universidad de Caldas Colombia for Geology and Mining and the Universidad Latina de Panamá for Industrial Engineering.

Chris Cooper

Chris has over 20 years of extensive business experience in all facets of corporate development, senior management, finance and operations, in both the private and public sectors. His experience includes spearheading growth strategies, financial reporting, quarterly and annual budgets, overseeing corporate administration, while achieving company objectives and maintaining internal cost controls. Chris has held a Director position in several private and public companies over the past 20 years. He received his Bachelor of Business Administration from Hofstra University and his Master's in Business Administration from Dowling College in New York.

Leon Ho

Leon is a chartered professional accountant working at Cross Davis & Company LLP, a CPA firm specialized in providing accounting services to publicly listed entities, primarily in the mining sector. Leon works directly with top mining Chief Executive Officers and Directors, assisting with their regulatory and accounting needs.

Ami Seaton

For 20 years Mr. Seaton has been an entrepreneur founding and managing a number of businesses in hospitality / entertainment, technology, fashion and cannabis industries. As a managing partner, Mr. Seaton's responsibilities included developing and managing budgets, projections, cashflow and PNL's and on occasion inventory control. His in-depth knowledge of the cannabis industry in specific global markets uniquely qualifies him for this position. He has sourced deals, raised capital and worked in international business development for a number private and public companies in the cannabis space spanning 3 continents.

At time of amalgamation several Seaway board members will step down as Directors. Mr. David Sidoo will step down from the board effective immediately.

The Board of Directors would like to thank Mr. Sidoo for his leadership and service to the Company.

ON BEHALF OF THE BOARD

"Peter Espig"

Peter Espig
Director
604.423.4499

Neither the CSE nor TSX Venture Exchange accepts responsibility for the adequacy or accuracy of this release

This news release contains forward-looking statements relating to the timing and completion of the Transaction, and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in

this release, including, without limitation, statements regarding the Transaction and the future plans and objectives of the Company or Sweet Earth are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's, or Sweet Earth's, expectations include the failure to satisfy the conditions to completion of the Transaction or the conditions for listing on the CSE and other risks detailed from time to time in the filings made by the Company with securities regulations or compliance with the policies of the CSE or the TSXV, as the case may be.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company or Sweet Earth. As a result, the Company and Sweet Earth cannot guarantee that the Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release.

[1] <https://maryjaneexperience.com/best-of-mbizcon-2019/>

[2] Source: <https://intrinsicemp.com/cbd-cbda-cbn-cbg-cbc-cbdv-differences>

[3] Long Trail Brewing Co, online: <http://longtrail.com/home>.

[4] CBD Gum, The Cbdadm Difference, online: <https://cbdgmnetworkofhemp.com/order-cbd/cibader>.

[5] Kiva Connections, Products, online: <https://kivaconfections.com/news/cbd-bars-debut>.

[6] Sacred Biology, online: <https://www.sacredbiology.com>.

[7] Creating Better Days, online: <https://www.cbdpet.ca/>.

[8] Shamard Charles, "CVS to sell CBD products in 800 stores in 8 states" (March 21, 2019) NBC News, online: <https://www.nbcnews.com/health/health-news/cvs-sell-cbd-products-800-stores-8-states-n986016>.

[9] Susie Peterson, "2 Unilever Brands Expected to Unveil Hemp and CBD Line Extensions" (June 3, 2019), Daily Marijuana Observer, online: <https://mjobserver.com/business/2-unilever-brands-expected-to-unveil-hemp-and-cbd-products-line-extensions/>.

[10] On April 15, 2019 the Company issued a news release and filed on Sedar: <https://www.sedar.com/CheckCode.do>

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/52722>