



PUF Ventures Brings Large-Scale Propagation to the Canadian Cannabis Industry - Existing 2.2 Million Sq. Ft. Facility Used to Propagate Flower Ready Cannabis Plants

VANCOUVER, July 3, 2018 /CNW/ - **PUF Ventures Inc.** ("**PUF**" or the "**Company**") (CSE: PUF) (Frankfurt: PU3) (OTCPK: PUFXF), is pleased to announce the science of plant propagation has arrived for the medical and recreational cannabis growers of Canada. On June 29, 2018 the Company announced the formation of Propagation Services Canada Inc. ("PSC") through a partnership with Casey Houweling. By outsourcing propagation services licensed producers of cannabis can significantly increase revenue while reducing the risk association to cloning cannabis plants.

"Our partnership with Casey brings the science of plant propagation to the emerging cannabis industry in Canada on a large scale," said Derek Ivany, President & CEO, PUF Ventures Inc. "We conducted a thorough analysis of the industry and identified how plant propagation will bring significant benefits to the many licensed producer operating in Canada. Not only does it simplify operations, the additional product gained from the repurposed square footage generates significant incremental revenue. Initial discussions with licensed producers confirms their interest in Propagation Services Canada products."

Greenhouse plant propagation is a specialization that is used all over the world for a wide variety of plants. In Canada, the cannabis industry has become a significant economic force with the legalization of cannabis scheduled for October 17, 2018. Those licensed producers that eliminate costs and optimize operations will succeed over the long-term. With the introduction of propagation and the forming of PSC, PUF has taken a "first mover advantage" position with regard to propagation in the cannabis market in Canada.

In a recent review of opportunities within the Canadian cannabis industry, it was evident that there are significant benefits to providing flower ready plants to cannabis cultivators. Plant propagation simplifies growing operations while significantly enhances top line revenue and operating profits.

Approximately 20 to 30 percent of a license producer's greenhouse is dedicated to cannabis propagation. By using third-party propagation services, this area can be repurposed to growing flowering plants and generate proportional topline revenue increases. In addition, third-party specialized propagation can improve horticultural and operational challenges:

- Clean stock genetics and offsite genetics bank for LPs.
- Reduced contaminates, pest and disease pressure on flowering plants without crop failures.
- Less complicated staffing requirements and easier training,
- One purpose facility with more efficient operating procedures.

Furthermore, propagation operations are complicated and require specialized knowledge and expertise to ensure high quality clones without disease and contaminates. Starter plants mitigate these challenges and allows cannabis cultivators to focus upon growing and processing flowering plants.

Through Propagation Services Canada, licensed producers can reallocate valuable greenhouse growing area, currently dedicated to mother cannabis plants and propagating clones, to growing flowering plants.

Summary of PUF Operations

The PSC 50/50 joint venture was formed between PUF and Casey Houweling, a vegetable greenhouse grower with over 40 years of floral and vegetable propagation experience. PSC has an exclusive 15-

year license to Houwelings' currently operating, large-scale, vegetable propagation, 2.2 million square foot greenhouse in Delta, BC.

PUF has a 35 percent ownership position in Solaris Nutraceuticals, a partnership with MYM Nutraceutical which is building a large-scale, hi-tech and ultra-efficient 1.2 million sq. ft. cannabis greenhouse in New South Wales, Australia. Solaris has submitted applications for growing licenses and building permits to regulatory bodies and has not received approvals.

PUF is the majority owner of AAA Heidelberg, an advanced Access to Cannabis for Medical Purposes Regulations ("ACMPR") license applicant. In February 2018, AAA submitted a confirmation of readiness package for its facility in London, Ontario. The facility is ready to start medical cannabis production immediately after receiving a license. PUF management has been in contact with Health Canada a number of times clarifying certain points included in the submission. PUF is now awaiting word from Health Canada on the status of our license and is unable to provide a time line to the completion of the review our submission.

About Propagation Services Canada Inc.

Propagation Services Canada is a joint venture company focused on the cannabis propagation market in Canada. Its Delta facility is one of the most technologically advanced greenhouses in North America, with full propagation services, experienced staff and 18 MW of power in place. For more information on the greenhouse and company please visit www.propcan.com.

About Solaris Nutraceuticals Inc.

Through a partnership in Solaris Nutraceuticals, PUF and MYM Nutraceuticals Inc. (CSE: MYM) are advancing the science of medical cannabis in Australia. Solaris has submitted applications and plans with Australia's Office of Drug Control to build a 1.2 million square-foot greenhouse facility with cannabis production space and a medical research center in the Northern Rivers Region of New South Wales. The facility will deliver environmentally friendly, sun grown medicinal grade cannabis and develop medicines and treatments for pain management and other medical conditions. Solaris has also recently teamed up with Southern Cross University to develop hemp and medicinal cannabis products that will enhance animal and human health. For more information, visit www.solarisnutraceuticals.com.

About PUF Ventures Inc.

PUF Ventures Inc. is a growth oriented and diversified company focused on the international cannabis industry. It has ownership in several cannabis companies: AAA Heidelberg, Solaris Nutraceuticals Pty Ltd., and Natures Hemp Corp., and is actively pursuing other opportunities within the industry. PUF has an option to purchase 100% of AAA Heidelberg Inc., an advanced applicant for an ACMPR license. Solaris Nutraceuticals is building the largest medical cannabis greenhouse in the Southern Hemisphere. For more information please visit: www.puf.ca.

ON BEHALF OF THE BOARD OF DIRECTORS

Derek Ivany
President & CEO

No stock exchange or securities regulatory authority has reviewed or accepted responsibility for the adequacy or accuracy of this release.

Some of the statements contained in this release are forward-looking statements, such as estimates and statements that describe the Issuer's future plans, objectives or goals, including words to the effect that the Issuer or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties.

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