



**Nutritional High International Inc.**  
77 King Street West, Suite 2905  
Toronto, ON M5K 1H1

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**NUTRITIONAL HIGH ANNOUNCES CALIFORNIA EXPANSION  
STRATEGY AND EQUIPMENT PURCHASE**

***FOR IMMEDIATE RELEASE***

TORONTO, ONTARIO – Toronto, Ontario – Nutritional High International Inc. (the “Company” or “Nutritional High”) (CSE: EAT, OTCQB: SPLIF, FRANKFURT:2NU) is pleased to announce its expansion strategy in the State of California and the initial purchase of equipment in preparation of launching operations in California.

Jim Frazier, CEO of Nutritional High commented – “We are very excited about an opportunity to establish a foothold in the single largest cannabis market in the world. In addition to our operations in Colorado and Illinois, California represents a tremendous opportunity for our shareholders. We look forward to learning the outcome of the vote relating to Proposition 64 next Tuesday and invite our shareholders to stay tuned on further developments relating to California.”

“But regardless of the outcome of that vote, we are committed to launching in California as a new State-wide regulatory framework is adopted,” Jim Frazier added.

As an initial step in its California expansion strategy, the Company has purchased and taken delivery of equipment to facilitate cold ethanol extraction. The equipment is being stored at a warehouse in California and is ready for installation once an appropriate facility is secured.

***State of California Regulatory Landscape***

Nutritional High has previously been cautious about dedicating resources to pursuing expansion into California, primarily due to issues relating to compliance with the Cole Memo. Introduction of Medical Cannabis Regulation and Safety Act (“MCRSA”) has established the framework that minimizes Cole Memo compliance issues and in the Company’s view provides adequate regulatory infrastructure for operating professional, transparent and most importantly legally regulated business in the cannabis industry while mitigating the risk of law enforcement by the US Federal Government.

Since MCRSA does not come into effect until January 1, 2018, the current regulation and law enforcement for cannabis businesses is provided by individual cities and counties within the state. Nutritional High has identified several localities which meets our internally established criteria for allocating resources for expansion.

While the majority of the legal cannabis market in California has been comprised of flower sales, On September 29, 2016, California's Governor Jerry Brown signed into law AB 2679, which provides guidance for cannabis manufacturers currently operating in California. AB 2679 will take effect at the same time as MCRSE and California Department of Public Health will regulate cannabis product manufacturers. The Company aims to utilize cold ethanol distillation extraction process, which does not involve use of volatile toxic solvents, which in the Company's view is beneficial given the language of AB 2679.

Another important piece of legislation is The Adult Use of Marijuana Act ("AUMA"), which is more commonly known as Proposition 64, a 2016 voter initiative to legalize marijuana for adult recreational use in California, which will take place on November 8, 2016, the same day as US Presidential elections. Nutritional High team looks forward to the vote taking place, but until approved by the voters and thoroughly vetted by the Company's legal counsel, Nutritional High will focus on the medical market in California.

### ***State of California Expansion Strategies***

According to the current laws, only registered non-profit organizations can operate a medical marijuana business in the State of California. In this regard, Nutritional High will utilize a similar approach to operations as that which is being utilized in states with residency requirements. Nutritional High is in the process of identifying local municipalities with robust regulatory frameworks, which allow for organizations to operate in a financially accretive manner. Nutritional High is currently considering two potential expansion strategies:

- 1) Establish a new non-profit entity and apply for a new license. Nutritional High will also purchase real estate, equipment and provide know-how to the non-profit to enable them to provide top notch products to patients;
- 2) Partner with an existing licensed operator and focus on developing the cannabis extraction and manufacturing operations under an existing license.

Nutritional High is in discussion with several counterparties and expects to provide an update in this regard in short order.

### ***State of California Cannabis Market***

California is often referred to as "the world's sixth largest economy", with 2015 GDP of almost \$2.5 trillion, surpassing countries such as France, Canada, India, Italy and Brazil. In addition, California was the first jurisdiction in North America to legalize medical cannabis by passing Compassionate Use Act in 1996, most commonly known as Proposition 215. November 5<sup>th</sup>, 2016 marks an important milestone for medical cannabis in California, as the industry enters its third decade. The established consumer market also indicates a high level of sophistication of cannabis patients, which fits in line with the Company's vision of manufacturing innovative products with superior quality.

According to Marijuana Business Daily, 2015 medical cannabis sales in California are estimated at \$841 million, which are nearly double that of Colorado during the same period. Successful passage of Proposition 64 can exponentially increase its number, creating the largest legal marijuana market in the United States and the world.

## **About Nutritional High International Inc.**

Nutritional High is focused on developing, manufacturing and distributing products and nationally recognized brands in the hemp and marijuana-infused products industries, including edibles and oil extracts for nutritional, medical and adult recreational use. The Company works exclusively through licensed facilities in jurisdictions where such activity is permitted and regulated by state law.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please follow Nutritional High on [Facebook](#), [Twitter](#), [Instagram](#) and [Google+](#)

### **For further information, please contact:**

#### **David Posner, Chairman**

Nutritional High International Inc.

647-985-6727

[dposner@nutritionalhigh.com](mailto:dposner@nutritionalhigh.com)

-and-

#### **Steven Low**

Boom Capital Markets Inc.

(647) 620-5101

Email: [steve@boomcapitalmarkets.com](mailto:steve@boomcapitalmarkets.com)

[www.boomcapitalmarkets.com](http://www.boomcapitalmarkets.com)

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