



FLI Product Manufacturer, Palo Verde, Reaches Settlement With Colorado Department of Revenue, Cleared to Continue and Expand Operations

TORONTO, Oct. 03, 2018 -- Nutritional High International Inc. (the "**Company**" or "**Nutritional High**") (CSE: EAT, OTCQB: SPLIF, FRANKFURT:2NU) is pleased to announce that a settlement has been reached between Palo Verde LLC ("**Palo Verde**") and the Colorado Department of Revenue, Marijuana Enforcement Division ("**MED**") regarding Palo Verde's licensing status. The settlement is subject to final approval from Colorado's State Licensing Authority ("**State Licensing Authority**"). Palo Verde operates a manufacturing facility in Pueblo, Colorado, which it leases from Nutritional High, and manufactures FLI-branded vape cartridges within the State. The Company previously announced Palo Verde had received a notice of denial ("**NOD**") from Colorado's MED in association with the renewal of its retail marijuana products manufacturer license ("**Retail MIPS**"), and with new applications for retail cultivation ("**Cultivation**") and medical marijuana infused products ("**Medical MIPS**") licenses (see press release date December 9th, 2017).

As part of the settlement, Palo Verde will withdraw its request for a hearing regarding its denied applications and Palo Verde will pay a fine to the MED. Palo Verde must obtain alternative financing for the promissory notes currently outstanding between Palo Verde and the Company within six months from the settlement. These terms are subject to final approval by Colorado's State Licensing Authority.

In addition to the above, the MED will issue conditional approval letters for Palo Verde's Retail MIPS, Cultivation and Medical MIPS licenses, with final approval being conditional upon Palo Verde executing the terms outlined above.

Jim Frazier, Nutritional High's CEO commented as follows: "We are pleased that Palo Verde has been able to clear up this matter, and pave the way for Palo Verde to continue to offer FLI products in the Colorado market. We will work with Palo Verde ownership to consider launches of additional FLI product SKU's and other brand offerings we are developing in California and elsewhere."

Nutritional High has no ownership interest in Palo Verde and does not manufacture, process or distribute cannabis products in Colorado. All sales of Nutritional High FLI-branded products in Colorado are undertaken by Palo Verde.

About Nutritional High International Inc.

Nutritional High is focused on developing, manufacturing and distributing products under recognized brands in the cannabis products industry, with a specific focus on edibles and oil extracts for medical and adult recreational use. The Company works exclusively with licensed facilities in jurisdictions where such activity is permitted and regulated by state law.

The Company follows a vertically integrated model with a fully developed strategy for acquisitions in extraction, production, sales, and distribution sectors of the cannabis industry. Nutritional High has brought its flagship FLI™ edibles and extracts product line from production to market through its wholly owned subsidiaries in California and Oregon, as well as Colorado where its FLI™ products are manufactured by a third party licensed producer. In California, the Company distributes its products and products manufactured by other leading producers through its wholly owned distributor Calyx Brands Inc. The Company also owns a 50% interest in The Clinic Effingham (an Illinois dispensary), and is entering the Nevada, Washington State and Canadian markets in the near future.

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+](#) or visit www.nutritionalhigh.com.

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