

Chemistree partners with Humboldt County, California cannabis processor

VANCOUVER, Nov. 27, 2018 /CNW/ - Chemistree Technology Inc. (Canadian Securities Exchange: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree") is pleased to announce that the Company has entered into a strategic collaboration (the "Collaboration") with a Humboldt County-based cannabis processing company (the "Processor") located in Arcata, California. Pursuant to the Collaboration, Chemistree will loan the Processor US\$450,000 (the "Loan"), and the parties also intend to negotiate an additional line of credit for working capital purposes. Chemistree expects the Processor will use the proceeds of the loan for business expansion, including to, among other things, purchase additional equipment and make tenant improvements to its facility.

Karl Kottmeier, Chemistree's President, commented "This is a great advancement for Chemistree. Not only is the Processor a highly regarded service provider in the Humboldt cannabis industry, with deep relationships with local cultivators, we believe they are also primed for growth in their sector. We believe that Chemistree can provide capital and management depth to rapidly expand the Processor's business, both in the local Humboldt area, across the state of California, and ultimately into new jurisdictions across the United States where legal cannabis processing and product development is in formative stages. Chemistree will also work with the Processor to purchase cannabis biomass on a proprietary basis and process that biomass to ultimately be sold as a Chemistree or Sugarleaf branded product.

The Processor holds a "Type 6: Non Volatile Solvent Extraction" license from the State of California. The Processor uses Apeks super critical CO2 extraction to produce cannabis oil, terpene profiles and other products on behalf of cannabis cultivators, other manufacturers and processors throughout northern California.

Chemistree expects to fund the Loan from its existing cash on hand. In addition, in consideration for benefits received by Chemistree under the Collaboration, it has agreed to issue 100,000 common shares to the principal of the Processor.

Additionally, Chemistree is pleased to announce it has engaged Native Ads to provide, manage and consult on a wide variety of marketing and digital marketing initiatives for the company.

About Chemistree Technology Inc.

Chemistree Technology Inc. is an investment company dedicated to the U.S. and international cannabis sector, providing turn key solutions for the regulated cannabis industry. The Company's corporate strategy is to acquire and develop vertically integrated cannabis assets, leveraging management's decades of expertise in the cannabis industry and corporate finance to own and operate licensed cultivation, processing, distribution and retail facilities. The Company currently owns assets in Washington State used to operate the Sugarleaf brand, prospective cannabis cultivation lands in California, a first investment in the Canadian cannabis sector through Pasha Brands and has a robust pipeline of assets to grow its base of business. For more information, visit www.chemistree.ca.

Advisory

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States.

Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company following the completion of the acquisitions, and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third-party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, are included in the Form 2A listing statement filed with the CSE and the Company's annual information form available under its profile on SEDAR at www.sedar.com.

"Karl Kottmeier"

President

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", "budget", "scheduled" and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur,

or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about adding clients, building on the Company's initial product offerings, negotiation of a line of credit for working capital purposes with the Processor, the expected uses of the Loan proceeds by the Processor, growth and expansion of the Processor's business, and the benefits to Chemistree of the Collaboration. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risks identified in the Company's reports and filings with the applicable Canadian securities regulators, including under the heading "Risk Factors" in its annual information form dated September 28, 2018 for the fiscal year ended June 30, 2018 available under the Company's profile on SEDAR at www.sedar.com. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

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