

Chemistree Acquires Global Rights to Sugarleaf Brand, Enters California Market

VANCOUVER, Dec. 6, 2018 /CNW/ - Chemistree Technology Inc. (Canadian Securities Exchange: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree") is pleased to announce that it has now entered into an agreement with Sugarleaf Farms to acquire the global brand and marketing rights to the Sugarleaf brand (outside of Washington State).

Chemistree is now underway with establishing the Sugarleaf brand in California, initially via the strategic collaboration recently launched with the Humboldt County-based cannabis processing company (see press release dated November 27, 2018). The Company is currently focused on product development, biomass sourcing and sales and marketing planning as well as adding key people to the new Chemistree California team. Demand for cannabis in California is increasing rapidly and having a recognizable brand that can drive consumer loyalty will benefit the Company in what is a challenging retail environment.

Karl Kottmeier, Chemistree's President, commented "I am really pleased to make this announcement. This is a significant advancement for Chemistree's growth plans and I am grateful to our tremendous team of advisors in California who are helping us access a market that is expected to exceed \$5.1 billion next year. Sugarleaf is a high quality, flower-based product line in Washington state and now, working closely with our new processor partner in Humboldt, we will be able to develop and produce Sugarleaf manufactured products as well as flower products in the world's sixth largest economy – the massive California market."

For more information on the Sugarleaf brand and related products, please visit www.sugarleaf.com.

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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