

# Chemistree Announces Partnership with New Jersey Medical Retail Cannabis License Applicant

VANCOUVER, April 15, 2019 /CNW/ - Chemistree Technology Inc. (CSE: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree"), is pleased to announce that its wholly owned U.S. subsidiary, American CHM Investments Inc., has signed a letter of intent (LOI) to partner with Applied Cannabis Sciences of New Jersey ("ACS"), a New Jersey-based medical retail dispensary applicant in the upcoming New Jersey round of Request for Applications (RFA), which is anticipated in 2020.

Applied Cannabis Sciences has been established by a team of seasoned professionals from the legal medicinal and adult use marijuana industry whose collective experience exceeds 50 years and includes over 20 cultivation, processing, and manufacturing licenses across four states (Washington, Oregon, California, and Colorado) within the U.S. The ACS team is predominantly made up of professionals that reside and currently operate from New Jersey and maintain multiple strategic relationships. Recently appointed Chemistree board member, Nico Escondido, is a founding member of the ACS team.

The application, if successful, will provide ACS with a fully integrated cultivation, manufacturing/processing and retail sales license in the state of New Jersey of which there are currently only 12 issued.

"We are excited about partnering with ACS, a highly experienced group recognized in the medical and recreational cannabis space that bring a track record of innovation and success. The potential to expand Chemistree's presence outside of California and Washington state and ultimately introduce our signature brand Sugarleaf to the large New Jersey consumer base by partnering with ACS is consistent with our growth strategy," stated Karl Kottmeier, President of Chemistree. "New Jersey is home to over nine million people currently being served by only 12 cannabis operators in its medical program. New Jersey is a logical place for Chemistree to expand into and bring the Sugarleaf brand to the New Jersey market. I would like to specifically thank Nico Escondido, our newest board member for the introduction to this exciting opportunity and I am impressed with the significant impact he is already clearly having on our Company."

The terms of the partnership arrangement and LOI are not financially material.

## About Chemistree Technology Inc.

Chemistree Technology Inc. is an investment company dedicated to the U.S. cannabis sector, endeavoring to provide 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 50% interest in a Humboldt County, California cannabis processing company, has completed its first investment in the Canadian cannabis sector through its investment in Pasha Brands and has a pipeline of assets to grow its base of business. For more information, visit [www.Chemistree.ca](http://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 defence 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 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 preliminary short form prospectus of the Company filed in respect of the Offering, the Company's annual information form and other documents incorporated by reference therein and in the Company's Form 2A listing statement filed with the CSE and available under the Company's profile on SEDAR at [www.sedar.com](http://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 includes 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 relating to: the timing, completion and construction of greenhouses and other facilities; potential production quantities; and the receipt of all California state and local licenses for the growing, processing, manufacture and distribution of cannabis products.

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: establishing a trading market for the Debenture and Warrants; fluctuations in the market price of the Common Shares, Debentures and Warrants; risks relating to the dilution of the Common Shares, Debentures and Warrants; risks and uncertainties relating to the actual use of the net proceeds of the Offering; changes in market conditions; an exchange on which the Company's shares are listed may initiate a delisting review; stock price volatility; sales by shareholders of a substantial number of Common Shares, Debentures or Warrants; the failure to sign agreements with a strategic partner in respect of the Company's facilities in Washington State; the failure to obtain required regulatory approvals in respect of the DHS Property; the failure to complete the Company's proposed loan to a Humboldt County-based cannabis processing company located in Arcata, California; and the risks identified in the Company's reports and filings with the applicable Canadian securities regulators, including, without limitation, all risks in and incorporated by reference into the Company's preliminary short-form prospects in respect of the Offering.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company 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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