

# Chemistree Provides Sugarleaf - Washington Update COVID-19 Response and Operations Update

VANCOUVER, April 2, 2020 /CNW/ - Chemistree Technology Inc. (CSE: CHM and CHM.wt) (US OTCQB: CHMJF) (the "Company" or "Chemistree"), wishes to provide stakeholders with an update on the Company's Washington State assets.

Currently, it is business as usual at Sugarleaf's cultivation facility during the COVID-19 pandemic while strictly adhering to the Washington State Liquor and Cannabis Board (WSLCB) guidelines. At this time, the WSLCB has clarified the position that cannabis producers, processors, and retailers are considered essential and not required to close due to the coronavirus restrictions. Chemistree is closely monitoring the situation and receiving weekly reports from the general manager of the Washington State licensee partner, detailing ongoing operations and market conditions.

Sugarleaf general manager Travis Royce commented, "I am gratified with the way our company and staff have come together and dealt with the current state of affairs. While the situation is not in any way ideal, we have a single purpose and focus: continuing to produce cannabis products that meet and exceed our high standards. Our clients are still buying us out of product on a weekly basis, and after multiple conversations with sales reps, purchasing managers, and retail owners, we are confident that this will continue."

In particular, Chemistree is greatly encouraged by the highly responsible series of policies rapidly put in place by Sugarleaf's management at Sedro-Woolley. These policies provide continued customer and business support while ensuring the health and safety of employees, customers, business partners in its local community.

- Employees are required to always wear face masks, gloves, and clean clothes;
- Sanitizer available throughout the facility – employees must use it whenever they pass by a station;
- Anyone who shows any signs of being sick must immediately leave and get tested and cannot return to work until they are cleared from their physician;
- There is no physical contact allowed between employees, appropriate social distancing practices;
- Anyone who has been in large crowds at events is not able to come back to work until they get tested;
- All packaging cleaned with ISO before being used; and
- No facility access to non-employees

Additionally, Sugarleaf has developed the following strategy to ensure continuity of operations in general, and cultivation facilities in particular, to minimize as any business disruptions:

- Opened up a nightshift for employees whose children have been shut out of school
- In the event of temporary lay-offs due to a mandatory stay-at-home order for Washington state, employees will be paid sick and vacation pay that they may have available
- Assuming stay-at-home order issued, 3 employees will maintain the cultivation facility to take care of the plants and stockpile harvested biomass for future sale when possible
- Working with Washington state regulator (WLCB). WLCB is looking at ways to help the industry if/when needed

Chemistree Chief Cannabis Officer Sheldon Aberman commented "The management team and employees at Sugarleaf Washington have done a fantastic job to respond quickly and safely to the COVID-19 pandemic. They have ensured the security as best as possible for employees and retail clients and stores while continuing to provide what we believe is an excellent product to consumers. I thank them all for their intelligent and engaged response."

## Source:

<sup>1</sup> **CityNews1130** [www.citynews1130.com](https://www.citynews1130.com/2020/03/24/cannabis-retailers-in-washington-deemed-essential-as-state-locks-down/amp/?__twitter_impression=true), online [https://www.citynews1130.com/2020/03/24/cannabis-retailers-in-washington-deemed-essential-as-state-locks-down/amp/?\\_\\_twitter\\_impression=true](https://www.citynews1130.com/2020/03/24/cannabis-retailers-in-washington-deemed-essential-as-state-locks-down/amp/?__twitter_impression=true)

## 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.

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 Prospectus, 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

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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 about adding clients, building on the Company's initial product offerings, entry into of definitive agreements.

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. 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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