

NEWS RELEASE – For Immediate Distribution

Body and Mind Inc. ("BAM") Receives Occupancy Permit for Phase II Expansion

VANCOUVER, B.C., CANADA (July 3, 2018) – Body and Mind Inc. (CSE: BAMM, US OTC: BMMJ), (the "Company", "Body and Mind" or "BAM") announces approval of the final building inspection for the Phase II expansion from the Clark County Department of Building and Fire Prevention.

The company initiated the Phase II expansion plans in early 2018 and is on time and budget to complete the increased production space, additional trim area, dry room and expanded packaging area.

Robert Hasman, BAM director commented, "We are excited to be nearing completion of Phase II construction on our current facility. During the 3rd quarter of Fiscal 2018 ("Q3-2018"), product sales were impacted by both facility construction and lab testing schedules and the Company completed Q3-2018 with USD \$587,012 remaining in inventory (Q2-2018 ending inventory was USD \$225,585). The Company anticipates realizing a significant portion of the Q3-2018 ending inventory as sales in the current quarter. Upon completion of Phase II construction we will move to a perpetual harvest system which is expected to deliver a more consistent harvest schedule and reduced inventory fluctuations."

The company is in the process of setting up the new Phase II grow space and is currently adding approximately 40% more high pressure sodium lights to the facility. The new grow space will also include an automated micro dose watering system, proprietary control systems and carbon dioxide system. New automated packaging equipment is scheduled to be delivered, installed and operational for early August and final permits and installation of the carbon dioxide delivery and control systems are anticipated for the first week of August. The company will be starting clones for the new grow areas this week with strains including GG4, True Power and Sequoia Strawberry.

The state of Nevada requires one additional inspection and the company anticipates having vegetative production beginning in the new areas within 30 days from receipt of the final inspection.

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

For further information regarding **Body and Mind Inc.** please contact:

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About Body and Mind

Body and Mind is a publicly traded company investing in high quality medical and recreational cannabis cultivation and production. Our wholly owned Nevada subsidiary was awarded one of the first medical marijuana cultivation licences and holds cultivation and production licenses. Body and Mind products include dried flower, edibles, topicals, extracts as well as GPEN Gio cartridges. Body and Mind marijuana strains have won numerous awards including the Las Vegas Hempfest Cup 2016, High Times Top Ten, the NorCal Secret Cup and the Emerald Cup. Body and Mind continues to expand operations in Nevada and Ohio and is constantly reviewing accretive expansion opportunities.

For more information please visit our web site at www.bammarijuana.com

Notice regarding Forward Looking Statements: This news release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statement address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this news release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including the inability of the Company to obtain shareholder and exchange approval, or to raise additional equity as well as the various risk factors discussed in the Company's disclosure documents, which can be found under the Company's profile on www.sedar.com. Body and Mind Inc. undertakes no obligation to update publicly or revise any forward looking information, whether as a result of new information, future events or otherwise, except as required by law or the Canadian Securities Exchange. We seek safe harbour.