

Benchmark Botanics Receives the Third Cultivation License from Health Canada

Vancouver, British Columbia--(Newsfile Corp. - August 24, 2020) - **Benchmark Botanics, Inc. (CSE: BBT) ("Benchmark" or the "Company")** is pleased to announce that through its wholly-owned subsidiary Potanicals Green Growers Inc., ("Potanicals"), a holder of federal licenses to cultivate and sell cannabis under the Cannabis Act, has received its third cultivation license, effective August 7, 2020, from Health Canada for the Company's joint venture YATAI & BBT Biotech Ltd. indoor and outdoor operations located in Pitt Meadows, BC (near the Company's other joint venture 139000 BC Ltd, also in Pit Meadows)

The site is now fully licensed by Health Canada to possess cannabis, obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis; and to sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations. This license allows the Company to immediately begin cultivating and undertake R & D activities.

YATAI & BBT Biotech Ltd. is the result of the joint-venture agreement between Benchmark Botanics Inc and Zhejiang Yatai Pharmaceutical Co., Ltd. ("Zhejiang Yatai "). On May 27, 2019, the companies signed a definitive investment cooperation agreement, whereby the parties agreed to set up a new joint venture company in Canada. The new company will have a share capital of \$14 million CAD, of which Zhejiang Yatai will invest \$7 million CAD cash, accounting for 50% of the new company's share capital; BBT was required to cause its wholly-owned subsidiary Potanicals Green Growers Inc. ("PGG") to use its existing Health Canada issued license to apply for a license for property acquired by the new company (the "Facility") for cannabis cultivation, processing, and sale thereon and in exchange BBT would receive 25% of the new company's share capital (with a cash equivalent of \$3.5 million CAD); and Rippington Investment ("RI") w invest \$3.5 million CAD, accounting for the remaining 25% of the new company's share capital.

YATAI & BBT Biotech Ltd. is expected to start establishing cultivating operations in compliance with Health Canada and other regulators' requirements and working toward its business objectives.

About Benchmark Botanics Inc.

Benchmark is a diversified multi-licensed cannabis producer focused on a three-way vertical business model targeting the medical, pharmaceutical and recreational markets in Canada. The Company's business plan also includes a strategy to become a Canadian licensed producer to pioneer selling medical cannabis and hemp throughout Asia, in countries where it is legal to do so.

Benchmark is focused on producing the highest-quality, indoor-grown cannabis for patients and adult recreational consumers, as well as developing international business partnerships to extend the Company's global footprint.

Benchmark's 100% owned subsidiary, Potanicals Green Growers Inc. ("Potanicals") is a Health Canada licensed producer under the Cannabis Act and its regulations. The Company is producing at its indoor Peachland, BC Cannabis Complex and is constructing a Phase II expansion of an additional 10,000 square foot extraction facility there. Along with cultivation and production, the company's Peachland BC facility also provides propagation, cultivation, cloning, storage, research and development, genetic improvements and is progressing towards CBD oil extraction and an EU-GMP certification.

As part of its expansion strategy, the Company and a joint venture partner acquired a second facility, a 4-acre Greenhouse Operation in Pitt Meadows, BC. The Company, through Potanicals, received its second cultivation license, effective November 29, 2019, from Health Canada for that Pitt Meadow greenhouse.

For further information, please visit the Company's website at www.benchmarkbotanics.com or the Company's profile at www.sedar.com.

If you would like to be added to Benchmark's news distribution list, please sign up at Investor Relations info@bbtinc.ca

**ON BEHALF OF THE BOARD OF
BENCHMARK BOTANICS INC.**

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this release.

FORWARD LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, the news release contains forward-looking statements and information relating to Company's corporate strategy. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company, including, without limitation, the Company's ability to carry out its business plan. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve risks and uncertainties. Actual results could differ materially from those currently anticipated due to several factors and risks. These include, but are not limited to, the Company's ability to identify and complete additional suitable acquisitions to further the Company's growth as well as risks associated with the medical marijuana industry in general, such as operational risks in development and production delays or changes in plans with respect to development projects or capital expenditures; the uncertainty of the capital markets; the uncertainty of receiving the required licenses, production, costs and expenses; health, safety and environmental risks; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of the potential market; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals and changes in legislation, including but not limited to tax laws and regulated regulations. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Canadian Securities Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.



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