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## **GLOBAL HEMP GROUP AND MARIJUANA COMPANY OF AMERICA PROVIDE UPDATE ON OREGON HEMP CBD FARMING PROJECT**

Vancouver, BC -- (July 31, 2018) -- **GLOBAL HEMP GROUP INC. (“GHG” or the “Company”)** (CSE: GHG / OTC: GBHPF / FRANKFURT: GHG) and its joint venture partner Marijuana Company of America, Inc. (OTC: MCOA) (the “Partners”) are pleased to provide an update on their high CBD yielding hemp farming project in Scio, Oregon (the “Project”).

The 2018 hemp cultivation at the Scio Oregon farm, operating under the name [Covered Bridge Acres](#) (CBA), is well underway. Although field work at the project started later than expected due to delays in closing of the farm acquisition and various personnel changes, our highly experienced team was able to complete two and a half months of field prep in just four weeks. As a result, approximately 40,000 high CBD yielding hemp plants were planted on the lower two fields of approximately 33 acres. Six different cultivars were planted this year and are growing very well. Half of the cultivars planted were clones and the other half were grown from seed and were planted when they were approximately two feet high. The results of these cultivars will be measured at harvest time to determine the best planting strategy for next season.

With the planting now complete, our team of seven full time staff has now turned their focus to completing the construction of the five greenhouses that were acquired earlier in the year. Once assembled, the project will have more than 19,000 sq. ft. of active greenhouse space for research and clone production for the 2019 planting season , and the potential for year-round harvest as the project continues to expand its greenhouse space going forward. In addition, as many neighboring farms have expressed interest in growing hemp, Management is looking at ways to either partner with or contract them, similar to the model being used on the Partner’s 125-acre New Brunswick hemp farming project.

The Partners have recently implemented a number of changes to the Project. Jeffrey Ward has joined the team as the new Farm/Project Manager, replacing TTO Enterprises Inc. The Partners acquired TTO’s 15% interest in the project for \$30,000, increasing their respective interest in the project to 50% each, and have canceled the issuance of shares and warrants associated with the further acquisition of TTO’s interest, per the original Joint Venture Agreement.

### **The CBA Team**

Farm/Project Manager - Mr. Ward has relocated from Auburn, Maine to be the on-site Project Manager. He has decades of cannabis and hemp cultivation experience and has successfully operated in the Maine Medical Marijuana program over the last decade. Doing business as “Wicked Good Weed Company”, he was part of the design and building of more than 100 cultivation operations ranging in size from 1,000 to 50,000 sq. ft. He is experienced with most grow methodologies, from dirt to advanced non-soil systems, and has experience in cross

breeding, knowledge of cloning, nutrient scheduling, plant “first-aid”, environmental control systems, harvesting, curing/drying, pest control, and is experienced in many extraction methods.

In addition, Mr. Ward has approximately 10 years of experience as a contracted project manager throughout Massachusetts and Maine for various industrial companies. He has managed projects with crew sizes up to 100 workers at Harvard College, the City of Brockton and Maine Yankee Nuclear Power Plant, to name a few. He has been the lead contact with E.P.A. , D.E.P. and O.S.H.A. at jobsites he worked on, and was the Safety Director for temp agencies providing workers to these projects. Mr. Ward is an outstanding addition to lead the Scio Hemp Project.

Along with Mr. Ward, joining the team are Leo and Paul Mulkey, local fourth generation independent farmers who have provided the necessary heavy farming equipment and field preparation services to the project. This has enabled Covered Bridge Acres to successfully transform the lower section of the farm from an overgrown, unusable field, to a modern, professional and productive working farm with 40,000+ high yielding hemp plants growing.

The Mulkeys have been growing industrial hemp since 2016. In their first year of hemp cultivation, they had the largest crop in the State of Oregon, at 75 acres. On their farm of nearly 2,300 acres in Central Oregon, they currently grow Industrial Hemp, Annual Ryegrass, Fescue, Meadowfoam, Phacelia, Radish, Clover, Wheat, and Straw. Last year they shipped over 2.5 million pounds of grass seed for processing from their seed cleaning and warehouse facility.

With the planting operation now complete, the Mulkeys will continue to provide consulting on harvesting and processing strategies, as well as field preparation for the CBA property and neighboring contracted acres for the 2019 growing season.

Another recent addition to the team is Anthony Rushford, a hemp breeder with over 20 years of genetics and breeding experience and author of *The Amazing Benefits of Hempseed: Why You Should Grow Your Own Organic Hemp Seeds*. Mr. Rushford has been providing consulting services to the project, in the areas of genetics, plant health, and the process of drying through to extraction.

His experience in a number of large scale hemp cultivation projects and extensive extraction experience in the cannabis industry has been very helpful to the CBA project. Through his breeding activities he has developed over 200 high CBD, low THC genetics, and is currently focusing on genetics, processing and product formulations with industrial hemp derived compounds. He has supplied genetics for research to a number of universities in the United States and Australia, as well as supplying 20,000 high CBD yielding hemp plants grown from seed for the Scio project. Mr. Rushford will continue to provide ongoing consulting services to the project.

The final addition to the Project is the GBF Group LLC (GBF). Their group has over 13 years of proven experience in hemp and cannabis farming techniques, micro tissue culturing, genomics, and propagation practices that have revolutionized the way industrial hemp is being grown in the 21<sup>st</sup> century. GBF also consults with startup companies across the United States in staffing, land acquisitions, and licensing to help their clients ramp up quickly and efficiently. In addition to providing consulting services to the project, GBF supplied the first 20,000 clones planted at the project and brings their experience of the perpetual harvest model from their farm in Loveland, Colorado farm to the Scio Hemp Project.

Previously the Company announced the formation of an Escrow Pool in conjunction with the signing of a Joint Venture Agreement between GHG and MCOA (*please refer to the Company's news release dated May 9, 2018, for related information*), with the purpose of incentivizing the Oregon staff and consultants for the successful development and maximization of shareholder value in the Scio Hemp Project. The terms of this Escrow Pool have been changed. While the milestones for escrow release remain the same, the number of shares and share purchase warrants have been reduced, and the participants have changed. GHG will now be depositing to the Escrow Pool 2,300,000 common shares of GHG and 2,300,000 common share purchase warrants exercisable at a price of CDN\$0.36 per common share for a period of three years, with MCOA depositing 10,120,000 of its common shares and 10,120,000 common share purchase warrants exercisable at a price of USD\$0.083 per common share for a period of three years.

The management team is in the process of evaluating harvesting, drying, storage and processing strategies in preparation for the late September, early October harvest. The Partners have guaranteed offtake agreement offers and are evaluating the profit models of selling the biomass in bulk to processors or joint venturing with consulting partners to construct facilities for drying and partnering with processors to market and distribute processed oils in the open market.

#### **About Global Hemp Group Inc.**

Global Hemp Group Inc. (CSE: GHG) (OTC: GBHPF) (FRANKFURT: GHG), is headquartered in Vancouver, British Columbia, Canada, with base operations in Montreal and Los Angeles. The Company is focused on a multi-phased strategy to build a strong presence in the industrial hemp industry in both Canada and the United States. The first phase of this strategy is to develop hemp cultivation with the objective of extracting cannabinoids (CBD, CBG, CBN & CBC) and creating a near term revenue stream that will allow the Company to expand and develop successive phases of the strategy. The second phase of the plan will focus on the development of value-added industrial hemp products utilizing the processing of the whole hemp plant, as envisioned in the Company's Hemp Agro-Industrial Zone (HAIZ) strategy.

#### **About Marijuana Company of America, Inc.**

MCOA is a corporation which participates in: (1) product research and development of legal hemp-based consumer products under the brand name "hempSMART™", that targets general health and well-being; (2) an affiliate marketing program to promote and sell its legal hemp-based consumer products containing CBD; (3) leasing of real property to separate business entities engaged in the growth and sale of cannabis in those states and jurisdictions where cannabis has been legalized and properly regulated for medicinal and recreations use; and, (4) the expansion of its business into ancillary areas of the legalized cannabis and hemp industry, as the legalized markets and opportunities in this segment mature and develop.

For more information, visit <http://globalhempgroup.com>

*Forward Looking Statements. Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Global Hemp Group Inc., including, but not limited to the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, dependence upon regulatory approvals, the availability of future financing and exploration risk, the legality of cannabis and hemp. Readers are cautioned that the assumptions*

*used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.*

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