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GLOBAL HEMP GROUP PROVIDES UPDATE ON ITS CBD HEMP JV PROJECT WITH MARIJUANA COMPANY OF AMERICA IN NEW BRUNSWICK, CANADA

Vancouver, BC -- (August 21, 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 CBD hemp farming joint venture in New Brunswick, Canada (the “Project”).

The goal of the hemp project in northeast New Brunswick is to produce hemp biomass that can be used for the extraction of cannabinoids. In anticipation of the implementation of the Cannabis Act on October 17, 2018, which will allow for the processing of the entire hemp plant, the Partners began preparing its Bathurst facility for the installation of drying equipment capable of drying 125 acres of flowers and leaves from the 2018 cultivation.

The flowers and leaves of the hemp plant are rich in cannabinoids, notably the non-psychoactive compound Cannabidiol (CBD). CBD, which has gained increasing popularity as of late, has been found to be effective in treating a wide variety of ailments, producing an increase in demand from consumers for products containing CBD. [*The Hemp Business Journal*](#) estimated that the CBD market will grow to a \$2.1 billion market in consumer sales by 2020.

Health Canada issues Class Exemption to the Industrial Hemp Regulations

Health Canada, the governing body in charge of industrial hemp licensing and its regulations in Canada, has recently issued a new Class Exemption in Relation to the Industrial Hemp Regulations (flowering heads, leaves and branches). This will allow the Partners to legally harvest, dry and store flowering heads, leaves and branches of industrial hemp from its 2018 cultivation, prior to the implementation of the Cannabis Act on October 17, 2018, when extraction of CBD from the flowers and leaves from industrial hemp will be legal in Canada. This will enable the industry to take advantage of an entirely new product market utilizing hemp derived cannabinoids.

New Brunswick Facilities

A 4,000 sq. ft. facility was secured in Bathurst, NB for the project in June. The company has established its offices and soon will complete the installation of processing equipment in the facility. A biomass dryer to process the flowers and leaves from participating farms will be

installed before the end of August. The dried flowers and leaves will be stored until mid-October when the company is allowed to sell its product to CBD extractors. Once proper licenses have been acquired for importing and manufacturing finished CBD products, the Bathurst facility may also serve as a distribution center for the hempSMART™ lines of products that are currently manufactured and distributed in the United States by GHG's partner MCOA.

Advanced Crop Monitoring – Successful First Drone Flight

In a large hemp field with tall dense crops, it is impossible to identify stressed areas from ground level. The use of specialized drones can provide targeted field diagnostics. When a stressed area is identified the observer can move directly to that location to assess the conditions of the observed stress.

Three drone flyovers have been contracted for the project. Each flyover will provide a coloured image indicating the state of the vegetation, with data collected from random points in the different coloured zones to assess the actual conditions on the ground. Data collected includes the measurement of soil moisture, pH, plant height and insect-disease-pressure. Once properly calibrated, these images will become an effective crop management tool for future crops in the region.



Severe Drought

Northeast New Brunswick has been experiencing a severe drought this year. The incidence of the drought has varied in intensity, but is widespread across the region. One of the participating farmers reported that this year's drought was the worst he experienced in his lifetime. While most crops of the region were hit very hard, as revealed by farm-gate prices of hay, the hemp has fared relatively well, as it is far less demanding in terms of water consumption. Preliminary observations collected from the first drone flyover over three of the farms indicate the extent of the stress observed.

It is noted that of the three varieties cultivated this year, the Joey and Canada varieties fared better than the Finola.

Preliminary testing has indicated that the output of flowers and leaves does not appear to be affected by the drought. The attached photo shows the flowers that have been produced.

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.