

# Lifestyle Delivery Systems Announces Completion of Brokered and Non-Brokered Private Placement Financings

Vancouver, British Columbia--(Newsfile Corp. - May 31, 2017) - Lifestyle Delivery Systems Inc. (CSE: LDS) (OTCQB: LDSYF) (FSE: LD6) (WKN: A14XHT) ("LDS" or the "Company") is pleased to announce that, it has closed its previously announced brokered private placement financing (the "Brokered Private Placement") as well as a concurrent non-brokered private placement financing (the "Non-Brokered Private Placement").

A total of 14,213,000 units (the "Units") were sold in the Brokered Private Placement at a price of Cdn\$0.50 per Unit (the "Issue Price") for total gross proceeds of Cdn\$7,106,500. Each Unit sold in the Brokered Private Placement consisted of one common share of the Company (each a "Unit Share") and one common share purchase warrant (each a "Warrant") entitling the holder to purchase one additional common share (a "Warrant Share") at a price of \$0.75 per Warrant Share for a period ending one year from the date of issuance. The Company may accelerate the expiration date of the Warrants if the daily volume weighted average share price of the Company's common shares on the Canadian Securities Exchange (or such other stock exchange as the Company's common shares are then trading on) is equal to or greater than Cdn\$1.50 for 10 consecutive trading days. Canaccord Genuity Corp. (the "Agent") acted as agent for the Brokered Private Placement. In consideration of its services, the Agent received a commission equal to 7.0% of the gross proceeds of the Brokered Private Placement, paid by issuance of 164,100 Units at a deemed price of \$0.50 per Unit, with the balance paid in cash. As additional consideration, the Company issued to the Agent that number of broker warrants ("Broker Warrants") equal to 7.0% of the aggregate number of Units sold under the Brokered Private Placement. Each Broker Warrant is exercisable for one Unit at the Issue Price for a period of 12 months from closing of the Offering.

Concurrent with the closing of the Brokered Private Placement, the Company sold a total of 3,174,776 Units also at a price of Cdn\$0.50 per Unit in the Non-Brokered Private Placement for total gross proceeds of Cdn\$1,587,388. The Units sold in the Non-Brokered Private Placement have substantially the same terms as the Units sold in the Brokered Private Placement. No commissions or fees were paid in connection with the offer and sale of Units in the Non-Brokered Private Placement.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of any of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

## About Lifestyle Delivery Systems Inc.

The Company's technology produces infused strips (similar to breath strips) that are not only a safer, healthier option to smoking, but also a new way to accurately meter the dosage and assure the purity of the product. In addition, with the entering into its management services agreements with NHMC, Inc. and CSPA Group, Inc., the Company has begun its foray into being directly involved in the growing of medicinal ingredients for, and the manufacturing of, its products. From seed to sale, the Company's products and ingredients will be tested for quality and composition throughout the formulation and production processes, resulting in a delivery system that is safe, consistent and effective.

On behalf of the board of directors of Lifestyle Delivery Systems Inc.

Brad Eckenweiler, CEO & Director

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## Cautionary Disclaimer Statement:

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release including, but not limited to, the timing and ultimate grant of a United States patent for the Sanderson technology, the timing and completion of the build out of the Adelanto Facility, and the complexity and evolving nature of the legal

and regulatory landscape for medical and recreational marijuana in the State of California. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history and the need to comply with environmental and governmental regulations. Completion of the Adelanto Facility may be subject to uncertainties including the availability of trades people and obtaining the necessary occupancy permits, which may be outside of the Company's control. The Company does not have a history of earning revenues from the sale of products or the growing of cannabis products, and there is no assurance of future revenues. In addition, there is significant regulatory uncertainty with respect to the production and sale of medicinal and recreational marijuana in the United States of America. In particular, marijuana remains a Schedule I drug under the United States Controlled Substances Act of 1970. Although Congress has prohibited the US Justice Department from spending federal funds to interfere with the implementation of state medical marijuana laws, this prohibition must be renewed each year to remain in effect. In addition, although the State of California has adopted laws permitting the commercial cultivation, extraction and manufacturing of medicinal marijuana, final regulations with respect to the implementation of these laws have yet to be adopted. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward- looking information.

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