## Lifestyle Delivery Systems Receives Zero Contamination Test Results During Initial Extraction Run and Arranges Five Hundred Thousand Dollar Secured Credit Facility

Vancouver, British Columbia--(Newsfile Corp. - November 21, 2017) - Lifestyle Delivery Systems Inc. (CSE: LDS) (OTCQB: LDSYF) (FSE: LD6) (WKN: A14XHT) ("LDS" or the "Company") is happy to announce that it has received third-party test results on the finished material extracted from the initial fresh frozen cannabis acquired from Northern California.

The significance of these tests cannot be undermined in light of the expected testing requirements imposed by the state of California starting on January 1st, 2018, which will require that the final product must have at least 99% purity. Based on a report published by <u>Steep Hill (https://www.steephill.com/pdf/uploads/pressrelease/230e778e18d25bf4740957e90b4d7de3.pdf)</u>, which states to be the global leader in cannabis testing and analytics, over 84% of the cannabis submitted to Steep Hill's Berkeley lab was contaminated. The Company spent a considerable amount of time identifying the fall harvests which would satisfy high standards LDS set for its raw materials used for the production of CannaStripsTM. Test results showing zero contamination is a significant statement on the LDS Scientific team's acquisition protocols and will clearly enhance the value of downstream products produced from the extracted materials.

The Company estimates the current fall outdoor harvest to represent approximately 80% of the available cannabis production in California until spring 2018. Due to the scarcity of clean raw material, the price to acquire additional raw material in December and January may more than double the current outdoor price. To stockpile sufficient raw fresh frozen material to facilitate production in the fourth quarter of 2017, the Company has arranged a US\$500,000 secured credit facility (the "Credit Facility") with an unrelated third party creditor. The Credit Facility will allow the Company to purchase additional raw material without drawing on its development funds and will allow saving more than five hundred thousand dollars in raw material acquisition costs.

Outstanding principal under the Credit Facility accrues interest at a rate of 3% per month, compounded monthly and payable on maturity on May 16, 2018. The Company may prepay the Credit Facility at any time, subject to the payment of \$50,000 in minimum interest. The Credit Facility is secured by a general security agreement covering all of the Company's personal property, and first deeds of trust on three parcels of unimproved real property totaling 20.5 acres owned by the Company in the City of Adelanto, San Bernardino County, California.

## 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 direct involvement 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

FOR MORE INFORMATION, PLEASE CONTACT:

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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. 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. In particular, 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 and is subject to change at any time. 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.