

Golden Leaf Holdings Ltd Announces Update on Cannabis Industry Developments

TORONTO, ONTARIO--(Marketwired – July 7 2016) – Golden Leaf Holdings Ltd. ("GLH" or the "Company") (CSE: GLH) is pleased to update its shareholders on the many developments in the cannabis industry internationally, nationally and in Oregon.

A survey released earlier in the year by the AP-NORC Center for Public Affairs Research found that 66 and 2/3%, a supermajority of Americans, believed marijuana should be legalized versus 39% of those who do not. This record-high percentage surpassed previous Gallop poll surveys taken in 2015 showing 58% support for legalization.

Leaders in multiple countries have expressed their support for cannabis. Prime Minister Trudeau in Canada is attempting to roll out a recreational program in 2017. In Mexico, leadership is looking at the outcome of the November legalization election in California prior to charting the path, but recent comments and a Supreme Court ruling has opened the door for legalization of at least medical in the near future. New leadership in the Philippines, Australia and New Zealand has made comments or efforts to legalize cannabis in those countries.

As California is the biggest prize and largest cannabis market in the USA, there is a tremendous focus on the November election efforts to legalize recreational use. California is a \$5.5B total market. Other jurisdictions are also gaining momentum towards legalization. Over half the states in the U.S. now have legalized medical marijuana with Ohio just recently becoming the 25th state in the U.S. to legalize cannabis for medicinal purposes. Many states are proposing taxation of between 10% and 15%, which is substantially lower than in Washington 37%, and Oregon 17%, and Colorado, but regardless will generate much needed tax revenues.

Beau Whitney, a VP of Regulatory and Government Affairs at Golden Leaf Holdings, whose cannabis market forecasts have also been widely cited, has estimated that if all states legalized cannabis and set taxes at 15%, even with a 33% black market, the US could generate in excess of \$4.5B, based on a US market of \$37B - \$45B.

In Oregon, counties that were hard hit by declining tax bases and loss of timber industry funds are now warming up to the idea of cannabis tax revenues. In May, an eastern Oregon county commission, whose citizens originally rejected the idea of cannabis businesses, have now taken a permanent ban off the table. CEO Don Robinson stated, "Citizens are beginning to realize that cannabis is a legitimate industry and that positive public good can result from legalization, either through public education efforts, or increased funds for law enforcement and public safety programs."

GLH is expected to benefit from these developments. Elimination of moratoriums means a larger market and more revenues. Positive results in other states, implies more opportunities for long term growth whether through potential strategic partnerships or brand licensing agreements.

About Golden Leaf Holdings:

Golden Leaf Holdings Ltd. is one of the largest cannabis oil and solution providers in North America. It's a leading cannabis products company in Oregon built around recognized brands. GLH leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil.

For further information, please contact:
Paul Searle
Investor Relations, Golden Leaf Holdings Ltd.
T: 778.240.7724
E: pauljsearle@shaw.ca

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