

Golden Leaf Holdings Comments on Growth of the Cannabis Market in Oregon and Marion County Elections

Toronto, Ontario – (Marketwired - November 15, 2016) - Golden Leaf Holdings Ltd. (CSE:GLH) (OTCQB:GLDFF) ("GLH" or "the Company"), a leading cannabis oil solutions company built around recognized brands, is providing the following update to shareholders regarding the current state of the cannabis industry in Oregon and the changes underway in the recreational adult use market.

Oregon's recreational market surpassed \$160 million in sales from the beginning of January through the end of September 2016, and Marijuana Business Daily and its Marijuana Business Factbook 2016 forecasts Oregon's market to reach \$180 to \$200 million by year end. However, oversight of the recreational, adult-use market is now transitioning to the Oregon Liquor Control Commission (OLCC), resulting in a decrease in the state sales tax from 25% to 17% and an increase in customer purchase limits.

As a result, sales estimates for the recreational market in Oregon could prove conservative. GLH is pleased to announce that it is in the process of applying for the required licenses in order to take advantage of this opportunity.

Marion County Elections

- On November 8, 2016, citizens in Marion County, Oregon voted against the sale and production of marijuana for either medical or recreational purposes. This ban is expected to go into effect on or around January 1, 2017. As described in GLH's previous press release dated October 17, 2016, the topic of Marion County has been discussed since the implementation of the Marion County Ordinance last year, and GLH has taken necessary steps to minimize any impact that a ban would have on its business.
- Due to the result of this vote, the Company will focus its operations and expansion plans at a Portland-based facility leased in Multnomah County for recreational production. GLH is in the process of applying for wholesale distribution and recreational processing licenses and determining the expected timeline for receipt of these licenses.

The Recreational and Medical Marijuana Market in Oregon

- Currently, recreational adult users can purchase products either through a medical marijuana dispensary or a new recreational dispensary.
- The Oregon Health Authority (OHA) is overseeing the state's early adoption of the recreational marijuana sales, allowing medical dispensaries to conduct sales to recreational adult users through December 31 of this year. Starting January 1, 2017, only medical marijuana card holders can buy product in medical dispensaries.
- The OLCC is responsible for the recreational market and licensing. Currently, dispensaries have an option to become recreational or medical which has to be declared by end of the year. If a facility becomes a recreational dispensary, it can sell products to both recreational consumers and medical marijuana patients (who have medical marijuana cards). In the same dispensary, an individual can buy different dosed amounts of products depending upon whether they are a recreational adult user or medical marijuana customer.

- Recreational dispensaries can only buy, source, and sell products from licensed recreational growers, processors, and wholesalers (managed by the OLCC).
- Medical dispensaries can only buy, source, and sell products from entities who are registered under the medical marijuana program (managed by the OHA).

GLH Recreational Licensing and Timeline

- The Company is in the process of applying for a recreational wholesale and recreational processor license for its Portland location. In order to sell either under a wholesale or processor license, GLH will have to receive a license from both the OLCC and the City of Portland. The company expects to receive its wholesale license within the next 30 days.
- With a wholesale license, GLH will be able to buy and sell flower and oil from other processors, which then could be repacked in Golden-branded packaging.
- In order to actually process (extract and refine) cannabis oil at the Portland location, the Company needs to receive its recreational processor license. GLH expects to receive its processor license within the next 60 days, contingent upon getting the relevant regulatory and city approvals.

About Golden Leaf Holdings Ltd.

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 more information please visit <http://www.goldenleafholdings.com/>.

Forward-Looking Statements

Disclaimer: This press release contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company's future business operation, expectations of gross sales, the opinions or beliefs of management, and future business goals. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to general business, economic and competitive uncertainties, regulatory risks including risks related to the expected timing of the Company's participation in the Adult Use market, market risks, risks inherent in manufacturing operations and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results

and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management's current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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