

# Golden Leaf Holdings Signs Letter of Intent to Acquire California Cannabis Operation

**Transaction would provide entry into U.S.'s largest growth market for medical and adult-use cannabis**

TORONTO, April 24, 2018 -- Golden Leaf Holdings Ltd. ("Golden Leaf" or the "Company") (CSE:GLH) (OTCQB:GLDFF), a leading cannabis oil solutions company built around recognized brands, today announced that it has signed a letter of intent (the "LOI") to acquire a cannabis dispensary currently in operation in Northern California. The transaction would include all assets, including licenses and permits covering cultivation, production/manufacturing, distribution and two retail licenses, and would represent Golden Leaf's entry into the largest U.S. market for both medical and adult-use cannabis sales.

Under the terms of the LOI, Golden Leaf would pay \$1.25 million USD in cash upfront and \$500,000 in GLH stock, with additional earn-out payments up to \$8 million USD based on future revenue thresholds.

"Signing this LOI is another key strategic step forward for Golden Leaf, as we continue to execute on our plan to introduce our retail brand-focused model to the largest growth markets, both in the U.S. and internationally," commented William Simpson, CEO of Golden Leaf. "California clearly represents the largest market opportunity in the U.S. and we are excited by the prospect of entering this marketplace that is still in its early days for adult-use. By establishing a presence in Nevada, Canada and, we anticipate, California to complement our core Portland, Oregon commercial footprint, we are targeting key markets where we see the most potential for growth. We remain confident in our ability to expand our retail brand-focused model and to build sustainable, long-term shareholder value."

To be added to the distribution list please email [GLH@kcsa.com](mailto:GLH@kcsa.com) with "GLH" in the subject line.

## About Golden Leaf Holdings

Golden Leaf Holdings Ltd., a Canadian company with operations in multiple jurisdictions including Oregon, Nevada and Canada, is one of the largest cannabis oil and solution providers in North America, and a leading cannabis products company built around recognized brands. Golden Leaf cultivates, extracts and manufactures and distributes its products through its branded Chalice Farm retail dispensaries, as well as through third party dispensaries. Golden Leaf leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil. Visit [goldenleafholdings.com](http://goldenleafholdings.com) to learn more.

### Company:

William Simpson  
Chief Executive Officer  
Golden Leaf Holdings Ltd.  
503-477-7626  
[William@chalicefarms.com](mailto:William@chalicefarms.com)

### Investor Relations:

Steve Silver / Phil Carlson  
KCSA Strategic Communications  
[GLH@kcsa.com](mailto:GLH@kcsa.com)  
212-896-1220 / 212-896-1233

### Media Relations:

Anne Donohoe / Nick Opich  
KCSA Strategic Communications  
[adonohoe@kcsa.com](mailto:adonohoe@kcsa.com) / [nopich@kcsa.com](mailto:nopich@kcsa.com)  
212-896-1265 / 212-896-1206

*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 operations, the establishment of, and the future scope and scale of, the Chalice Farms retail system, the level of funding needed to establish the Chalice Farms franchise model, that the Chalice Farms franchise model will be successful and generate positive cash flows, 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, difficulties of establishing a*

*successful franchise model 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. This press release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration or an exemption from registration.*