



Golden Leaf Holdings Provides Progress Update for Medical Marijuana Group

Canadian subsidiary secures first cannabis harvest and submits application to Health Canada for final sales license inspection

TORONTO, July 19, 2018 -- [Golden Leaf Holdings Ltd.](#) ("Golden Leaf" or the "Company") (CSE:GLH) (OTCQB:GLDFF), a cannabis company with cultivation, production and retail operations built around recognized brands, is pleased to provide a progress update for Medical Marijuana Group ("MMG"), its Canadian subsidiary.

Cultivation Activities Update

In November 2017, MMG was granted a cultivation license from Health Canada for its state-of-the-art grow facility in Ontario and commenced cultivation activities in early 2018. Since then, it has cultivated four complementary strains of cannabis that span some of the most desired products in the medical and adult-use market. In early July, the Company harvested its first crops, which had yields that were 30% greater than originally forecasted, mirroring yields from Canada's premier cannabis companies. Furthermore, biological tests carried out by MMG showed low microbial amounts, not requiring irradiation, which in turn maintains the cannabis terpene profile and produces a higher quality product. These strong results are expected to support the Company's rapid go-to-market strategy, and MMG has secured buyers to take delivery of the product as soon as the Company receives its final sales license.

Phillip Millar, President of Medical Marijuana Group, commented, "The Medical Marijuana Group has made significant progress over the last six months, realized by the recent crops harvested which produced very strong biological test results and impressive yields. The short time period between the initial granting of the cultivation license and our first harvest proves the efficacy of our grow systems and we look forward to commercializing these products."

Sales strategy update

After the extensive testing demonstrated positive test results last week, MMG requested the final sales license inspection required under Health Canada. The request is currently pending. Upon receipt of the sales license, MMG will have considerable product ready for immediate sale, thus completing the build out of the sales cycle. Historically, licenses have taken anywhere from two weeks to two months to receive approval, and the Company has sought as expeditious a process as possible.

William Simpson, Golden Leaf Holdings' CEO, commented, "We are pleased that MMG has added strength and value to Golden Leaf Holdings' Canadian expansion strategy. We are confident in our ability to establish MMG as a provider of high quality cannabis oils and edibles to the Canadian market and are pleased with our progress as Canada approaches adult-use legalization on October 17th."

To be added to the distribution list please email GLH@kcsa.com with "GLH" in the subject line.

About Golden Leaf Holdings

Golden Leaf Holdings Ltd., a Canadian company operating in multiple jurisdictions, including Oregon, Nevada and Canada, with cultivation, production and retail operations built around recognized brands. Golden Leaf distributes its products through its branded Chalice Farms retail dispensaries, as well as through third party dispensaries. Golden Leaf's cannabis retail operations and products are designed with the customer in mind, focused on superlative in-store experience and quality products. Visit goldenleafholdings.com to learn more.

Investor Relations:

Phil Carlson
KCSA Strategic Communications
GLH@kcsa.com
212-896-1233

Media Relations: Anne Donohoe / Nick Opich

KCSA Strategic Communications
adonohoe@kcsa.com/nopich@kcsa.com
212-896-1265 / 212-896-1206

Company:

William Simpson
Chief Executive Officer
Golden Leaf Holdings Ltd.
503-477-7626
William@chalicefarms.com

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.