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**Golden Leaf Announces Private Placement of Unsecured Convertible
Subordinated Debenture Units for up to \$15 million**

TORONTO, ONTARIO, September 10, 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, today announced that it has entered into an agreement with Canaccord Genuity Corp. (“Canaccord Genuity”) as sole agent and bookrunner with respect to a “best efforts” private placement of unsecured convertible subordinated debenture units (the “Offering”).

Pursuant to the Offering, the Company has engaged Canaccord Genuity to offer to sell, on a best efforts, private placement basis, up to C\$15 million of debenture units (the “Units”) of the Company, each Unit to be comprised of one C\$1,000 principal amount unsecured convertible subordinated debenture (each, a “Debenture” and collectively, the “Debentures”) accruing interest at 12% per annum until December 31, 2019, after which date interest will decrease to 10% per annum, and be payable semi-annually until maturity, and 1,665 common share purchase warrants of the Company (each, a “Warrant” and collectively, the “Warrants”), at a price of C\$1,000 per Unit, for aggregate gross proceeds of up to C\$15 million. Each Debenture is convertible into common shares of the Company (each, a “Common Share”) at a conversion price of C\$0.30 per Common Share (the “Conversion Price”), subject to adjustment and acceleration in certain events. The Debentures will mature 36 months from the closing of the Offering. Each Warrant will entitle the holder to acquire one Common Share at a price of C\$0.40 per Common Share for a period of two years following the closing of the Offering, subject to adjustment in certain events. The net proceeds from the Offering are anticipated to be used for working capital and general corporate purposes.

Beginning on the date that is four months and one day following the closing of the Offering, the Company may force the conversion of the then outstanding principal amount of the Debentures (plus accrued and unpaid interest thereon) at the Conversion Price on not less than 30 days’ notice should the daily volume weighted average trading price of the Common Shares be greater than \$0.45 for any 10 consecutive trading days.

The Debentures will rank *pari passu* in right of payment of principal and interest with all other



Debentures issued under the Offering and shall be subordinated to all existing secured indebtedness of the Company, including the issued and outstanding senior secured convertible debentures of the Company.

Closing of the Offering is expected to occur on or about October 4, 2018.

The Units are being offered in all provinces of Canada and will also be offered in other jurisdictions determined by the Company and Canaccord Genuity.

The Offering is subject to certain conditions, including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals.

The Debentures and Warrants issued pursuant to the Offering and any Common Shares issued on conversion of the Debentures or exercise of the Warrants will be subject to a statutory hold period in Canada of four months and one day following the closing of the Offering in accordance with applicable securities laws. Additional resale restriction may be applicable under the laws of other jurisdictions, if any.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, and these securities will not be offered or sold in any jurisdiction in which their offer or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws of the United States. Accordingly, these securities will not be offered or sold to persons within the United States unless an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available.

About Golden Leaf Holdings:

Golden Leaf Holdings Ltd. is 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 <http://goldenleafholdings.com/> to learn more.

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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, statements regarding the timing and completion of the Offering, the use of the net proceeds of the Offering, and management's expectations with respect to the Offering. 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. This 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.