



***Golden Leaf Holdings Announces Termination of Agreement to Acquire the Assets of Tahoe Hydroponics***

**Portland, OR – January 16, 2019** – [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 the Company and Tahoe Hydroponics Company (“Tahoe”) have mutually agreed to terminate the definitive agreement (“Agreement”) for the Company to acquire the assets of both Tahoe and its related company, 11T, Inc., a California corporation. The agreement was originally announced on August 13, 2018.

Bill Kulczycki, President and CEO of Golden Leaf said “Concurrent with the start of my tenure at GLH, we kept running into challenges and further delays in obtaining regulatory approvals in Nevada. These delays and related impacts affected the return profile and value proposition of the acquisition for GLH. Both parties decided that committing the Company’s available capital without a retail footprint changed the risk-return analysis enough that the desired shareholder return would not be achieved. While both parties are disappointed with this outcome, we are parting ways with mutual respect intact.”

Bill also added “As the new President and CEO of Golden Leaf, I want to ensure that the Company strategically invests its available capital to achieve sustainable positive cash flow and growth. We are currently looking at opportunities that fit our strategic vision in an appropriate order of priority, balanced between assessments of risk and cash flow returns that drive shareholder value creation. My immediate focus for Golden Leaf is one of disciplined growth with the goal of achieving profitability in the near term.”

To be added to the distribution list please email [ir@goldenxtrx.com](mailto:ir@goldenxtrx.com) with “GLH” in the subject line.

**About Golden Leaf Holdings**

Golden Leaf Holdings Ltd. is a Canadian company with operations 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](http://goldenleafholdings.com) to learn more.

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*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.*