



## Blueberries Executes Definitive Agreement to Acquire Cannabis Cultivation, Processing & Manufacturing Rights for 3.2M Square Foot Property in Argentina

TORONTO, July 02, 2019 -- Further to its news releases dated March 26 and April 4, 2019, Blueberries Medical Corp. (CSE: BBM) (OTC: BBRRF) (FRA: 10A) (the "**Company**" or "**Blueberries**"), a leading Colombia based licensed producer of medicinal cannabis and cannabis-derived products, is pleased to announce that the Company has entered into a definitive share purchase agreement to acquire cannabis cultivation, processing, manufacturing and other rights in Argentina (the "**Share Purchase Agreement**") from BBV Labs Inc. ("**BBV Labs**"). Pursuant to a definitive joint venture agreement with the Argentinean state-owned company Cannabis Avatara, S.E. ("**Cannava**"), BBV Labs entered into a joint venture (the "**Joint Venture**") with Cannava to develop and cultivate cannabis on a 3.2 million square foot (74 acres or 30 hectares) prime agricultural property. Cannava will contribute the land to the Joint Venture as well as all required permits and authorization necessary to import seeds, cultivate, grow and harvest cannabis, process cannabis and extract cannabis oil and other derivative products for scientific, medicinal and therapeutic purposes and to export cannabis and derivative products and import and export related equipment and products.

"The signing of a definitive purchase agreement marks an important milestone in our entrance to the Argentinian market," stated Camilo Villalba, Chief Operating Officer. "Being one of the first movers to have an arrangement like this in a country with a population of over 44 million people represents an extremely unique opportunity for Blueberries. We are working diligently to expedite build-out of our operations in Argentina, in addition to our continued commitment to our ideally located, low cost production operations in Colombia."

"This agreement moves us another step closer to bringing this project to fruition, pioneering commercial cannabis production in Argentina," stated Gaston Morales, the President of Cannava. "The Blueberries team have proven to be valuable partners, contributing leading operational expertise in cultivation, genetics, extraction and formulation. We look forward to continuing to work with them to move this exciting project forward."

### Highlights Include:

- Blueberries gains rights to cannabis licenses in Argentina; amongst very few such agreements currently in place to supply cannabis products to the Argentinian population exceeding 44 million people. Also expands production footprint internationally and may provide additional export opportunities to other countries with evolving cannabis regulations.
- Blueberries to build a large-scale modern cultivation facility and processing centre of excellence in Argentina.
- Cannava will contribute all licenses/permits and authorization necessary to import seeds, cultivate, grow and harvest cannabis, process cannabis, extract cannabis oil and other derivative products, export cannabis and derivative products, and import/export equipment and products.
- Cannava will grant access to utilize 3.2 million square feet (74 Acres or 30 hectares) of prime agricultural land for the cultivation and growth of cannabis in Jujuy Province, Argentina, ideally situated in an area with robust modern infrastructure including fresh water and modern power supply and a nearby airport, with additional land available for potential future expansion
- Cannava will contribute all cooperation agreements with the National Institute of Agricultural Technology (INTA), Ministry of Security, Ministry of Public Health, National Council of Scientific and Technological Investigations (CONICET) and other regulatory and technological Argentinian authorities as required

Argentina's relatively nascent cannabis industry began in 2017 with the legalization of cannabis for prescribed medical use. To date Cannava is the only entity authorized to cultivate and produce cannabis and derivatives in Argentina and Blueberries is among the first and limited number of companies to have such an arrangement with Cannava.

The 3.2 million square foot site is located on agricultural property in the province of Jujuy. The area is located in an ideal, temperate climate that permits year-round cultivation as well as a skilled and efficient agricultural labor force. The area is an established agricultural site with an operating history of over 100 years. The property is fed by multiple rivers providing ample access to fresh water for irrigation. The power supply is modern and has capacity to scale as production capacity is increased. With an international airport only 8km away, it is also as an ideal hub for import and export. The recent authorization of the site as Argentina's first, and potentially one of the world's largest cannabis farm and is expected to pave the way for a new industry in Argentina.

The first phase of the Joint Venture will be a Pilot Cultivation Program (the "**Pilot Project**") consisting of the preparation and cultivation of cannabis on a 107,000 square foot (1 hectare) area on public lands provided by Cannava with the goal of potentially producing 4 million grams (4,000 kg) of dry cannabis flower. The Pilot Project will also evaluate and characterize cannabis seeds and strains that are ideal for the climate conditions of Jujuy, and document the proposed operating procedures, technical processes, strains and products that the Joint Venture is seeking to produce. The Company has

prepared a proposed Pilot Project plan for Cannava's approval and processing of the applications for the permits as required, with the goal of completing the Pilot Program by May 2020.

### **Terms of the Transaction**

Pursuant to the terms of the Share Purchase Agreement, Blueberries will acquire BBV Labs, and in turn, 75% of BBV Labs' rights under the Joint-Venture with Cannava. As consideration for its interest, Blueberries will issue 16,000,000 common shares to the vendors of BBV Labs. Closing of the transaction is expected to occur in July.

Pursuant to the Joint Venture Agreement, proceeds from the manufacture and distribution activities, and from the cultivation and growth activities, will be distributed between BBV Labs (to be acquired by Blueberries) and Cannava. Blueberries will be responsible for providing the expertise and capital required to operate and develop the Joint Venture operation. The Share Purchase Agreement was negotiated at arm's length.

### **About Blueberries Medical Corp.**

Blueberries is a Latin American licensed producer of naturally grown premium quality cannabis with its primary operations ideally located in the Bogotá Savannah of central Colombia and operations currently being established in Argentina. The Company is led by a specialized team with proprietary expertise in agriculture, genetics, extraction, medicine, pharmacology and marketing, Blueberries is fully licensed for the cultivation, production, domestic distribution, and international export of CBD and THC-based medical cannabis in Colombia. Blueberries' combination of leading scientific expertise, agricultural advantages and distribution arrangements has positioned the Company to become a leading international supplier of naturally grown, processed, and standardized medicinal-grade cannabis oil extracts and related products.

Additional information about the Company is available at [www.blueberriesmed.com](http://www.blueberriesmed.com). For more information, please contact:

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### **Cautionary Note Regarding Forward-Looking Information**

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward looking statements relate, among other things, to: closing of the proposed acquisition of BBV Labs, successful completion of the Phase 1 program with respect to the Joint Venture, internal expectations, expectations regarding the ability of the Company to expand its cultivation facilities and access new Latin American markets, including, without limitation, access to free-trade zone markets, and access to export cannabis products to Brazil and Chile, the ability to attract and retain new customers, and future expansion plans including development of the cultivation, production, industrialization and marketing of cannabis for scientific purposes related to the proposed Joint Venture.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: fluctuations in general macroeconomic conditions; fluctuations in securities markets; expectations regarding the size of the Colombian and international medical cannabis market and changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political and social uncertainties; inability to obtain adequate insurance to cover risks and hazards; and the presence of laws and regulations that may impose restrictions on cultivation, production, distribution and sale of cannabis and cannabis related products in Colombia or internationally; and employee relations. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Additional information regarding the Company, and other risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Company's Listing Statement dated January 31, 2019 filed on its issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained

herein.