



New Age Farm to Double Greenhouse Capacity at its Washington State Cannabis Facilities

Increased capacity can lead to tenant-grower revenues of up to \$32 million per year

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New Age Farm Inc. (CSE:NF) (OTC:NWGFF) (FSE:ONF) (www.newagefarminc.com) (“New Age Farm” or the “Company”), has acquired a further 24,000 square foot greenhouse structure to augment the previously announced addition of a 21,000 square foot greenhouse (see news release dated November 29, 2016). By adding these two structures, totalling 45,000 square feet, to the existing 5,600 square foot state of the art facility completed in 2016Q4, New Age Farm’s Tier 2 and Tier 3 tenant-growers will be able to grow at full, 100% allowable I-502 capacity, year-round. The entire 45,000 square feet of greenhouse structure combines Cravo, Nexus and Hired Hand Green components for state of the art capabilities and 14 foot high trusses provide an ideal environment for growing large plants.

Revenue Potential

By operating at full capacity, our current tenant-growers will have potential for gross annual revenue from their crops of up to \$32 million. New Age Farm’s potential revenues come from invoicing its tenant-growers. An increase in crop revenue means a direct increase in invoiced revenue for New Age Farm. Year-round growing of crops maximizes the revenue potential for New Age Farm and its tenant-growers.

The Company’s CEO, Carman Parente expanded: “When at full capacity and at maximum yield, our current Tenant Growers can generate approximately \$32 million per year in gross revenues including flower sales, extracted oils, lotions, food additives, etc. Our Master Growers are on site to assist our tenant-growers achieve the best possible crop yields as well as using their distribution channels to assist in their product sales. We are looking forward to seeing our tenant-growers operating year-round at full capacity in 2017.”

About New Age Farm

British Columbia

Through its wholly-owned subsidiary, NHS Industries Ltd. (“NHS”), New Age Farm owns a five and a half acre facility in the lower mainland of BC that includes a 48,000 square foot greenhouse. NHS is in the process of formulating innovative proposals for small scale agricultural facilities for exploring multiple avenues for cash flow processes. Anticipating Canadian federal government regulations regarding the legalization of cannabis for recreational purposes is one avenue that NHS will be exploring. NHS also intends to look at other high value crop possibilities such as hemp and its potential revenue generation. Management’s intent is for NHS to achieve positive cash flow as expediently as possible, all the while developing and maintaining multiple product income streams that will foster profitability, rather than relying on a single market sector.

Washington State

Through its Washington State subsidiary, New Age Farm owns two properties, one located in Sumas, WA, and the other in Oroville, WA, where it offers fully built out turnkey service operations to licensed I-502 tenant-growers who will lease the facilities for production and / or processing. With three leases

already in place, operations in Washington State have begun and will expand further as the Company completes its build outs. In compliance with state regulatory requirements, New Age Farm's facilities feature 24 hour security that enhances the safety and security of the community, our tenant-growers and their operations. All New Age Farm's tenant-growers hold either Tier 2 or Tier 3 licenses allowing them to produce and / or process marijuana for sale at wholesale to marijuana processor licensees and to other marijuana producer licensees. A Tier 3 license allows for between ten thousand square feet and thirty thousand square feet of dedicated plant canopy while Tier 2 licensees can have up to ten thousand square feet of dedicated plant canopy. Revenue is generated on a base lease rate and the level of service that the tenant-grower requires for its production and / or its processing needs.

About the Washington I-502 Marijuana Market

Sales of marijuana products in Washington State have for the first time surpassed \$200 million in a quarter. The News Tribune reports residents and visitors bought more marijuana than ever before in the second quarter of 2016, based on an analysis of purchase and tax records from two state agencies. In the first quarter of 2016 January, February and March people spent \$54.8 million more on spirits than marijuana, which includes the cost of the products and its associated taxes. By the second quarter April, May and June that gap closed to nearly \$37 million. Those amounts include taxes levied by the state on those products. Spirits sales do not include wine and beer. Marijuana sales include all cannabis products, but not paraphernalia. Marijuana sales in the second quarter of 2016 amounted to nearly \$212 million. Spirits sales in the same period amounted to almost \$249 million. In July, the state closed medical marijuana shops, making all sales go through licensed recreational marijuana storefronts. Sales at retail pot shops shot up by \$66.6 million in the third quarter of the year, to \$278.6 million. Washington voters legalized recreational marijuana in 2012. Earlier this month voters in California, Massachusetts and Nevada approved recreational pot. Colorado, Oregon and Alaska have also legalized recreational marijuana.

<http://www.thenewstribune.com/news/business/article115802063.html>

For further information about New Age Farm, please consult the Company's profile on SEDAR at www.sedar.com. Visit the Company's website at www.newagefarminc.com for more information and to view a video of the Oroville facility: <http://newagefarminc.com/>

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