



New Age Farm Provides Oroville Campus Operations Update as Tenant-Grower Approaches Harvest of First Crop

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New Age Farm Inc. (CSE:NF) (OTC:NWGFF) (FSE:ONF) (www.newagefarminc.com) (“New Age Farm” or the “Company”) is pleased to provide an operations update for its Oroville facility.

As reported in the Company’s news releases of November 2016 and January 2017, the Company completed its 5,600 square foot greenhouse cannabis production facility, capable of growing trimming, curing, and storing cannabis. The licensed tenant-grower encountered delays in obtaining regulatory permits required for each phase of operations start up. New Age Farm and its tenant-growers operate in a highly regulated industry and clearance is required from the Washington State Liquor and Cannabis Board (“WSLCB”) in keeping with I-502 requirements at each phase of operations. Upon completion of its inspection, the WSLCB granted authorization for seed planting. Ongoing reporting to the WSLCB is required and if any part of the process is altered, updated or changed, the previous clearances are reviewed and the process may need to be repeated.

Harvest Timeline Update

The tenant-growers have experienced a delay resulting in the anticipated harvest date being moved from Q2 2017 to Q3 2017. This delay was necessitated by a variety of factors, primarily the bad weather conditions affecting the entire Okanogan Region of Washington State throughout 2017. The poor weather has affected productivity in general; in particular, the ground remained frozen until May 2017 delaying outdoor seeding and grow operations. The summer months have brought soaring heat conditions, and smoke from surrounding forest fires have posed additional working considerations for the facility. Additionally, the Company experienced operational start up challenges calibrating the proper operating climate within the greenhouse structure impacting tenant-grower soil preparation and growing timelines. Finally, New Age Farm implemented personnel changes, hiring specialists more suited to the Company’s operating environment.

QA/QC

The tenant-growers’ and the Company’s own master growers (the “Master Growers”) are committed to the highest quality control from seed to sale, and will not compromise these standards. Their shared goal is to produce the best quality product and achieve maximum yield to create a superior product that will then be offered throughout the established distribution network. The Company relies on the expertise, experience and professionalism of its own master growers and those of its Tenant-Growers, to ensure all these goals are met.

The Master Growers have the responsibility to do all that is necessary to meet these goals. To that end, they have spent the extra time to put QA/QC protocols in place to ensure immediate goals are met for the current crop and they take the long view that these protocols and processes will assure the quality of all New Age Farm’s tenant-growers’ products, and will further ensure that those products meet end-user expectations over the long term. Any short term delay while the Master Growers create the best possible environment to achieve maximized results for the current greenhouse crop and for future crops will only be

of benefit to all New Age Farm's stakeholders from its tenant-growers to its shareholders.

This first full crop has afforded the Master Growers the opportunity to observe and experience a crop in real time, full scale, real world, on-site conditions. Tightly controlled growing procedures ensure the best possible product will be delivered to an established supply chain. New Age Farm is also committed to ongoing research and development to ensure that these goals are met. In 2016/2017, Master Growers experimented with various strains of "auto flower" plantings but found that they did not meet quality assurance standards, and this meant additional time and care were needed to foster the growth of the current crop.

View the Current Crop

Working closely with the tenant-grower, the program has advanced to the stage that the indoor growing operation now fully satisfies the needs of the crop, including raising the greenhouse light fixtures to maximum height to provide additional growing space. Photos of the tenant-grower's current crop, taken in May 2017, are posted on New Age Farm's website. Visit the Company's website at www.newagefarminc.com, and look for the link to the Photo Gallery. The crop has since grown considerably, and the Master Growers report that the plants are on track for harvest within the next few weeks.

Achieving Revenue

New Age Farm's potential revenues come from invoicing its tenant-growers after sale of their crop. Tenant-growers produce their crops at the turnkey facility and earn their revenue from the sale of their crops into the distribution network. To date, New Age Farm has continued to fund the cost of construction, maintenance and operations to bring this first crop to harvest. Tenant-growers are invoiced based on direct costs of production. New Age Farm tracks and records direct costs associated with the tenant-grower's production and then invoices the tenant-grower for reimbursement. The tenant-grower is also billed a facility leasing cost, and for any additional services that they have selected such as master grower services, equipment rental, use of lab facilities, storage, etc.

Building Value

New Age Farm's and all the Master Growers' QA/QC commitment to helping the tenant-growers achieve greater yield, higher quality and higher value flower from their crop means more revenues for tenant-growers and therefore, greater revenues for New Age Farm as the Company attracts additional tenants by building a reputation for providing what I-502 Licensees need to achieve superior results. As reported in the Company's November 23, 2016 news release, the existing tenant growers will have the potential for gross annual revenue from their crops of up to \$24-million in flower sales per year when the facility is operating at full capacity, based on a total projected production capacity of approximately 1,600 pounds of flower per month. Current estimated average sale prices of marijuana in Washington are approximately \$1,250 (USD) per pound. Year-round growing of crops maximizes the revenue potential for New Age Farm and its tenant growers.

The Company's Chief Executive Officer, Carman Parente, stated "We recognize our initial targets have been delayed, and appreciate the patience and understanding of our stakeholders. As with any new enterprise, there are hurdles and bumps along the way to profitability. This past year, we have learned much and have used these lessons to create a framework for future success. Our QA/QC processes will serve us well; we are better equipped for ongoing research and development to use scientific method to experiment, test and improve crops. The more value we can give our tenant-growers, the more advanced

capabilities we can provide, the more revenue we can generate down the road. We are on the cusp of our first major harvest and appreciate that our tenant-grower's team, including their master growers, have followed best practices for quality assurance and production of the current greenhouse crop. Their expertise and diligence will lead to best outcomes for their distribution network, and good results for them means good results for our shareholders."

***About New Age Farm
Washington State***

New Age Farm is an agricultural services company offering unique turnkey growing infrastructure and services for licensed growers and processors of luxury marijuana crops at three agri-campuses in Washington State. New Age Farm's facilities will offer in excess of 250,000 square feet of canopy growing space to tenant-growers once fully built out.

In November 2012, the Washington State Liquor and Cannabis Board ("WSLCB") passed Initiative 502 ("I-502") pursuant to a vote by the people of the State of Washington. I-502 authorized the WSLCB to regulate and tax recreational marijuana products for persons over twenty-one years of age and thereby created a new industry for the growing, processing and selling of Washington State-regulated recreational marijuana products 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.

- ✓ By the end of 2016, Washington had over \$1.1 billion in combined recreational and medical marijuana sales for the year, and in October, November and December, it surpassed Colorado in total monthly marijuana sales (cf Marijuana Business Daily).
- ✓ In 2016, Washington adult use sales increased by 95 percent from just one year earlier.
- ✓ Legal marijuana sales totals in Washington are nipping at the heels of alcohol sales.

.For further information about New Age Farm, please consult the Company's profile on SEDAR at www.sedar.com.

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On Behalf of the Board Of Directors

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