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## **New Age Farm Spins out Shares of NHS Industries Ltd. to its Shareholders**

**August 21, 2017 - Vancouver, BC**

New Age Farm Inc. (CSE:NF) (OTC:NWGFF) (FSE:ONF) ([www.newagefarminc.com](http://www.newagefarminc.com)) (“New Age Farm” or the “Company”) is pleased to provide this update regarding the plan of arrangement (the “Arrangement”) between New Age Farm and NHS Industries Ltd (“NHS”). As previously reported on November 10, 2016 and December 5, 2016, the shareholders of the Company approved the Arrangement and the Company set the share distribution record date at November 30, 2016 (the “Share Distribution Record Date”). As of the Share Distribution Record Date, New Age Farm has 105,573,317 common shares issued and outstanding.

### ***Distribution of NHS Shares to New Age Farm Shareholders***

New Age Farm and NHS have each instructed their respective transfer agents to begin the process of distributing the NHS Shares to New Age Farm Shareholders. The information in this news release is for the benefit of all the New Age Farm shareholders, and most particularly those who are entitled to receive NHS Shares.

### **New Age Farm shareholders entitled to NHS Shares do not need to take any action.**

Those shareholders who held shares in New Age Farm (the “**New Age Farm Shares**”) as of the close of business on November 30, 2016 will automatically receive shares of NHS. Each New Age Farm shareholder will receive from NHS the number of common shares (the “**NHS Shares**”) equal to the issued and outstanding New Age Farm Shares held by the shareholder as of the Share Distribution Record Date, multiplied by a conversion factor (the “**Conversion Factor**”).

### **New Age Farm shares will not be affected in any way by the spin out of the NHS shares.**

After the spin out of the NHS Shares, the New Age Farm Shares will be identical in every respect to the shareholders’ current New Age Farm Shares. As of the Share Distribution Record Date, each New Age Farm shareholder of record will continue to hold that number of common shares in the equity of New Age Farm held by the shareholder prior to the Arrangement.

### **New Age Farm shareholders will each receive their pro-rata share of NHS Shares**

Based on the issued and outstanding shares in each of New Age Farm and NHS as of the Share Distribution Record Date, the Conversion Factor is 0.065195. This means that for each New Age Farm Share a shareholder owned as of the Share Distribution Record Date, he or she will receive 0.065195 shares of NHS. No fractional shares will be issued. NHS shares have a unique identifying CUSIP number assigned to them; it is 62914H107.

### **Remember, New Age Farm Shareholders do not need to take any action to receive NHS Shares.**

No action is required on the part of the New Age Farm shareholders. If a New Age Farm shareholder is entitled to NHS Shares they will be sent in one of two ways: 1) the NHS Shares will be credited directly

to the shareholder's brokerage account; or 2) the NHS shares will be sent directly by mail of a certificate to the shareholder's mailing address currently on file with New Age Farm. Most shareholders will receive their NHS Shares into their brokerage accounts.

**New Age Farm shareholders can expect to receive their NHS Shares around the beginning of September.**

Carman Parente, President and CEO of New Age Farm, commented: "We are pleased to be able to finish the spin out process and fulfill our commitment to the New Age Farm shareholders who have been waiting for the NHS Shares to be released. This is a milestone step toward the listing of the NHS Shares on the CSE. Our application has been submitted to the exchange and the review of our preliminary prospectus by the securities commission is progressing. We hope to have further news for you in this regard very soon. Your NHS Shares represent new value in the New Age Farm business model and we will be announcing more news regarding the NHS property and our plans for it in the near future. Once again, we must sincerely thank our shareholders and other stakeholders for their continued support. Thank you."

***Further Information about the Spin Out of NHS Shares***

New Age Farm Shareholders who have questions regarding this process should first visit New Age Farm's [website](#) where a list of frequently asked questions ([FAQ](#)'s) has been provided. If the answer to your question is not there, please contact the Company directly at 1-888-871-3936. The Company's Corporate Secretary can answer your questions about the distribution of NHS Shares.

***About NHS Industries Ltd.***

NHS owns a five and a half acre agri-campus in the lower mainland of BC that includes a 48,000 square foot greenhouse, currently being operated by a long term tenant. The NHS agri-campus is located in the fertile Fraser Valley and is part of the agricultural land reserve (the "ALR"). The agri-campus has potential for further indoor and outdoor growing capabilities. NHS is actively preparing the site for the construction of a warehouse, storage and processing facility. NHS will be able to support small scale agricultural facilities interested in pursuing multiple avenues for cash flow processes. Furthermore, it is exploring the potential opportunities to arise from the proposed Canadian federal government legalization of cannabis for recreational purposes. 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. NHS has filed a preliminary prospectus in British Columbia and is undergoing the required review process.

***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.

New Age Farm is committed helping its tenant-growers achieve greater yield, higher quality and higher value flower from their crop and to building a reputation for providing what I-502 licensees need to achieve superior results. Year-round growing of crops maximizes the revenue potential for New Age Farm and its tenant growers.

.For further information about New Age Farm, please consult the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

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