

Vapen MJ Reports 43% Revenue Increase, 23% Increase in Net Income, for Second Quarter of 2019

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VANCOUVER, Aug. 21, 2019 /CNW/ - Vapen MJ Ventures Corporation (CSE: VAPN, OTCQX: VAPNF) ("Vapen MJ") a fully integrated agricultural technology, services and property management company in the regulated cannabis industry, today reported financial results for the second quarter ended June 30, 2019.

Financial Results (Comparing the three months ended June 30, 2019 to the three months ended June 30, 2018)

Vapen MJ's gross revenues increased 43% from US\$4.7 million for the quarter ended June 30, 2018 to US\$6.7 million for the quarter ended June 30, 2019.

Total Net Income increased 23% for the quarter ended June 30, 2019 to US\$1.2 million compared to US\$1.0 million for the quarter ended June 30, 2018.

Financial Results (Comparing the six months ended June 30, 2019 to the six months ended June 30, 2018)

Vapen MJ's gross revenues increased 45% from US\$9.1 million for the six months ended June 30, 2018 to US\$13.2 million for the six months ended June 30, 2019.

Total Net Income increased 40% for the six months ended June 30, 2019 to US\$2.9 million compared to US\$2.0 million for the six months ended June 30, 2018.

Balance Sheet

Cash at June 30, 2019 was US\$5.2 million. Working capital as at June 30, 2019 was reported at US\$22.6 million, compared to US\$14.5 million as at December 31, 2018, a 56% increase.

Operational Highlights During the Second Quarter:

- On June 5, 2019, Vapen MJ entered into a partnership agreement with Emerald Pointe Hemp to provide its extraction expertise to a Kentucky partnership for CBD extraction.
- On June 24, 2019, Vapen MJ signed a Letter of Intent (LOI) with Pegasus, to establish a partnership for Cannabis THC production and extraction in Las Vegas, Nevada.

Operational Highlights Subsequent to the Second Quarter

- On July 12, 2019, Vapen MJ's shares opened for quotation on the OTCQX® Best Market, under the symbol "VAPNF".
- On August 7, 2019, Vapen MJ announced a new equity partnership where Vapen MJ will design for construction an extraction facility and lend operational technical support for Hawaiian hemp production and formulation with Archipelago™ Ventures, a strategic joint venture with Legacy Ventures and Arcadia Biosciences (NASDAQ: RKDA).

Bob Brilon, president and chief financial officer commented, "Vapen MJ Ventures has experienced a strong first half of the year primarily related to the Arizona operations. We have announced partnerships in the THC and Hemp CBD industries that are moving forward. We are looking forward

to closing and announcing additional domestic and foreign extraction partnerships in the coming months to further strengthen the financial results of 2019."

About Vapen MJ Ventures Corporation

Vapen MJ, through its wholly-owned subsidiaries, currently operates in the US as an agricultural technology, services and property management company utilizing a full vertical integration business model to oversee and execute all aspects of cultivation, extraction, manufacturing (THC and CBD cartridges, concentrates, edibles), retail dispensary, and wholesale distribution of high margin Cannabis THC and Hemp CBD products under the Vapen Brand. Vapen MJ expansion plans include partnering with cannabis license holders and hemp farms in multiple states within the US.

Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in Vapen MJ's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements related to future developments and the business and operations of Vapen MJ.

Although Vapen MJ has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; being engaged in activities currently considered illegal under U.S. Federal laws; change in laws; reliance on management; requirements for additional financing; competition; hindered market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. Because of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. Vapen MJ disclaims any intention or obligation to update or revise such information, except as required by applicable law, and Vapen MJ does not assume any liability for disclosure relating to any other company mentioned herein.

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