

Golden Leaf Announces Signing of Definitive Agreement for Strategic Acquisition in Canada

TORONTO, ONTARIO--(Marketwired – June 27, 2017) – Golden Leaf Holdings Ltd. (“GLH” or the “Company”) (CSE:GLH) (OTCQB:GLDFF), a leading cannabis oil solutions company built around recognized brands, is pleased to announce that it has entered into a definitive agreement in connection with its previously announced acquisition (the “Acquisition”) of all of the issued and outstanding shares of Medical Marihuana Group Corporation (“MMGC”) and Medical Marihuana Group Consulting Ltd. (“MMCC”). MMGC has filed an application with Health Canada for a cultivation license. MMGC does not currently have any substantial operations and it will not be able to engage in the production of marijuana until it receives the cultivation license.

In connection with the Acquisition, (i) GLH will acquire all of the outstanding shares of MMGC for consideration of C\$10,000,000, which will be satisfied through the issuance of 35,714,286 common shares of the Company (“Common Shares”) at a price of C\$0.28 per share; and (ii) GLH will indirectly acquire all of the outstanding shares of MMCC for consideration of up to C\$5,000,000 (the “**Contingent Consideration**”), which amount will be payable in the event that certain gross sales targets are met within 18 months of marketing efforts commencing in Canada of GLH branded products (the “**Earn-in Period**”). The Contingent Consideration is payable in Common Shares at a price of C\$0.28 per share.

AC Group Financial Inc. is acting as an advisor to the Company in connection with the Acquisition and the three other previously announced acquisitions being undertaken by the Company.

Further to GLH’s previously announced strategic acquisition program, the Acquisition is expected to drive financial and shareholder value. The Acquisition represents a strategic acquisition for GLH and is expected to provide benefits to the Company, including:

- Access for the GLH brand platform into the rapidly expanding Canadian and international marketplaces;
- An international footprint across North America with access to the global marketplace through Canada;
- Opportunity for GLH to participate in the Canadian marketplace, which is anticipated to become fully legalized in 2018; and

- Leverage for GLH's growing, extraction, refining, sales and marketing expertise to provide a competitive advantage and head start with cannabis oil and related products in the Canadian market.

Don Robinson, Golden Leaf's CEO, commented, "The acquisition of Medical Marijuana Group provides our company and shareholders with a significant opportunity to become one of the first global companies to operate across North America and international markets through Canada. GLH will leverage its location in Canada to develop and open up new market opportunities, including expanding branded oils, edibles and flower into the Canadian marketplace. The objective is to build a robust product portfolio positioned for targeting both medical patients and adult-use with expected recreational legalization in 2018."

About Golden Leaf Holdings:

Golden Leaf Holdings Ltd. is one of the largest cannabis oil and solution providers in North America. It's a leading cannabis products company in Oregon built around recognized brands. GLH leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil.

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Disclaimer: This press release contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company's future business operation, expectations of gross sales, the opinions or beliefs of management, future business goals and the anticipated benefits of the Acquisition. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to general business, economic and competitive uncertainties, regulatory risks including risks related to the expected timing of the Company's participation in the Adult Use market, market risks, risks inherent in manufacturing operations and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management's current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This Release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration.