

Golden Leaf CEO William Simpson Issues Letter to Shareholders

TORONTO, ONTARIO--(Marketwired – July 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 issuing the letter below to shareholders.

To Our Valued Shareholders:

I want to take a moment to (re)introduce myself and give an update on the status of Golden Leaf Holdings. Last week the board of GLH made the decision to refocus our company and strengthen our management team by appointing me as the Chief Executive Officer. As many of you may know, I have been a hands-on manager and entrepreneur in the Cannabis industry for more than 15 years. As the founder and CEO of Chalice Farms, I have had a hand in literally every step across the Cannabis supply chain; from growing and processing the plant, to retail store design and management. There are few leaders in our industry who have my depth and breadth of experience.

As the new CEO of Golden Leaf, I am pleased to provide an update on the recent progress that our company has made towards achieving its corporate objectives. While I am less than one week on the job as CEO, I have been intimately involved in the day-to-day operations of Chalice Farms, a subsidiary of GLH, and as such have a strong handle on our business. As I get deeper into my role, I will regularly report back to you on our progress.

That said, I am excited to lead the company through the integration of our recently completed acquisitions and towards building a sustainable and profitable business. In doing so, the company plans on providing additional visibility into our progress going forward, and I hope this offers a sense of a new communicative posture we are taking, built upon transparency and a commitment to the highest standards of corporate governance.

There are three areas I want to highlight today:

- 1- Restructuring
- 2- Financing
- 3- Our vision for growth

Restructuring

Towards this goal of leading Golden Leaf to profitability, the company plans to consolidate its manufacturing, operations, sales, marketing and finance at the recently acquired Chalice Farms headquarters in Portland, OR.

The decision to consolidate in the Portland facility was largely driven by the prospects for a consolidated headquarters providing numerous synergies and efficiencies, including savings on building leases, support and maintenance costs among others. As a company, we believe that its critical our acquisition strategy drives not only revenue growth and product positioning, but also operating efficiencies. In addition, consolidating operations will provide the opportunity for more visible onsite leadership, which is important as our company grows and integrates distinct companies and cultures.

Other considerations for the consolidation to Portland include Golden Leaf's capacity to extract and refine all oil in one location, under the appropriate Oregon Liquor Control Commission "OLCC" processor licenses, and to distribute all products out of the Columbia Boulevard location in Portland, where its OLCC wholesale distribution license is held.

It is important to highlight the company's operational focus is unaffected by these announced initiatives. Golden Leaf's mission remains to become the leading consolidator of high value cannabis brands and retail dispensaries, building a dominant consumer and lifestyle product company addressing rapid growth markets.

Financing and Future Growth

Golden Leaf is well positioned to achieve this mission, supported by a US\$28 million equity raise completed earlier this year that enabled the completed acquisitions of Chalice Farms, Medical Marihuana Group Corporation in Canada, and the Nevada licenses to grow, process and market cannabis based products. In addition, we view that our ability to capitalize on our low-cost manufacturing technology and robust R&D platforms will drive innovative, superior and, ultimately, profitable products that create value for our shareholders.

Over the coming months, we plan to provide updates on our execution against these goals, including laying out a clear vision to sustainable profitability and plans to further expand our product and commercial footprint. Towards that end, we have retained KCSA Strategic Communications for both public and investor relations services to help communicate our progress to our investors and to the broader investment community. KCSA has a proven track record of supporting companies of our size to expand their reach, as well as an established presence in the cannabis industry.

We look forward to communicating with all of you as we hit these critical milestones and pledge to maintain transparency with everyone who supports Golden Leaf Holdings.

Sincerely,

William Simpson
Chief Executive Officer, Golden Leaf Holdings

About Golden Leaf Holdings Ltd.:

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.

For further information, please contact:

Investor Relations - U.S.A.
Harrison Phillips
Viridian Capital Advisors, LLC
212-209-3086
hphillips@viridianca.com

Investor Relations - Canada
Paul Searle
Golden Leaf Holdings Ltd.
778-240-7724
psearle@goldenleafholdings.com

Public Relations
Anne Donohoe
KCSA Strategic Communications
732-896-0033/212-896-1265
<mailto:adonohoe@kcsa.com>

Eugene Hill
Chief Financial Officer
Golden Leaf Holdings Ltd.
ghill@goldenleafholdings.com

Cautionary Note Regarding Forward-Looking Information

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, and future business goals. 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. Forward-looking information is based on estimates and opinions of management at the date the statements are made and 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.