

Golden Leaf Reports First Quarter 2017 Results, Shareholder Update Call, and New Board Slate for Annual General Meeting

TORONTO, ONTARIO--(Marketwired – May 29, 2017) – Golden Leaf Holdings Ltd. ("GLH" or the "Company") (CSE:GLH) (OTCQB:GLDFF), a leading cannabis oil solutions company built around recognized brands, today announced its unaudited financial results for the first quarter ended March 31, 2017 ("Q1 2017"). Please [click here](#) to access the Company's filings on the SEDAR website.

GLH will hold a shareholder update call on Tuesday, May 30 at 4:15 pm ET to discuss the results. The dial-in numbers for the financial overview and shareholder update call are as follows:

Canada & U.S.: (800) 895-0198

International: (785) 424-1053

Passcode: 43038

Renewed Revenue Growth in 2017: Achieving Strategic Acquisition Objectives, Capital Raise Completion and New Board Member Slate Announced

Despite facing significant regulatory challenges in Oregon's cannabis industry in 2016 as previously communicated, the Company overcame obstacles and positioned itself in 2017 for renewed revenue growth and success. Unaudited Q1 2017 sales of GLH's brands in Oregon and Washington state of nearly \$6M CAD showed a 33% increase versus Q1 2016, and more than a 70% increase versus the fourth quarter of 2016 ("Q4 2016"). Furthermore, the Company expects quarterly revenue to increase significantly after the close of the four strategic acquisitions.

While many competitors failed to survive in Q4 2016 because of regulatory upheaval, GLH's management team developed a strategy to become the leading consolidator of high-value cannabis brands. The Company began executing on this targeted acquisition strategy aimed at future success by signing four binding Letters of Agreement with Chalice LLC, a leading vertically integrated cannabis company in Oregon, the vape company JuJu Joints, Canadian based Medical Marihuana Group Corporation which has a pending application to become a licensed producer and NevWa, LLC the owner of cultivation and extraction licenses in Nevada. In connection with executing on this strategy, the Company has negotiated to fund the Company's acquisitions and existing operations.

In addition, GLH recently announced three new independent director nominees for the Board slate at its Annual General Meeting ("AGM") scheduled at 11:00 am ET on June 28, 2017 in Toronto. The proposed Board of Directors (which will consist of seven directors) has the skills and experience necessary to provide the Company with strong and relevant governance in its

next phase of growth.

The nominees for the Board of Directors for the upcoming AGM include, Don Robinson, Alex Winch, Michael Cohl, Peter Saladino, Gary Yeoman, Bob McKnight and Gary Zipfel.

Gary Yeoman

Mr. Yeoman, who upon nomination will become GLH's board chairman, has served as the Executive Chair of iLOOKABOUT since June 2013, after previously serving as a consultant to the company. He is also the President of Yeoman and Associates Inc., a private real estate consulting company. From 2005 to 2011, Mr. Yeoman served as CEO of Altus Group, a TSX-listed real estate consultancy firm that supplies software, data and analytics intelligence. During his term as CEO, he led Altus through a seven-year growth period during which the company increased revenues from \$75 million to approximately \$325 million. During this period, Mr. Yeoman reorganized, re-focused and directed the business expansion from 15 Canadian offices to over 65 offices with business in 64 countries, orchestrating the acquisition of 25 companies located in six different continents at an approximate capital cost of \$250 million.

Bob McKnight

Mr. McKnight co- founded Quiksilver, Inc. in 1976 and has served as the company's President, CEO and Chairman of the board of directors from its inception until 2015. Under his watch, Quiksilver grew from a startup to a worldwide corporation with revenues of \$2.5 billion. Today, Quiksilver is a globally diversified, world leader in outdoor lifestyle apparel with their three main brands of Quiksilver, Roxy and DC. Quiksilver, Inc. has over 5000 employees, operates in over 100 countries and has close to 700 retail stores in the world. Today, Mr. McKnight serves as a consultant and ambassador to the company, and manages the Quiksilver Foundation.

Gary Zipfel

Mr. Zipfel served as capital partner and board level advisor for start-up stage companies, providing business planning, strategic direction, and scenario analysis. Mr. Zipfel worked with companies from a diverse array of industries including cannabis, vertical green space appliances, mountain home design and construction, commercial real estate, bicycle parts design and manufacturing, digital advertising, jet engine repair, healthcare notification systems, restaurants, and breweries.

Overview of Q1 2017 Results in Oregon: Revenues Flat vs. Q1 2017, Up Significantly vs. Q4 2016, Cost Cutting Reduces Adjusted EBITDA* Loss

The Company generated revenues of \$2,259,094 for the three months ended March 31, 2017, a slight decrease compared to \$2,316,688 for the three months ended March 31, 2016, but a significant increase compared to \$434,967 for the three months ended December 31, 2016. In Q1 2017 the revenues increased by over 400% versus Q4 2016.

Adjusted EBITDA	For the three months ended		
	Mar. 31, 2017	Dec. 31, 2016	Mar. 31, 2016
Revenue	\$ 2,259,094	\$ 434,967	\$ 2,316,688
Cost of sales expense	\$ 2,020,695	\$ 1,625,443	\$ 1,814,236
Less: Inventory impairment	\$ -	\$ 1,091,000	\$ -
Adjusted cost of sales expense	\$ 2,020,695	\$ 534,443	\$ 1,814,236
Gross profit (loss)	\$ 238,399	\$ (99,476)	\$ 502,452
Total operational expenses	\$ 2,155,139	\$ 3,513,649	\$ 2,868,743
Less: One-time listing expense	\$ -	\$ -	\$ -
Less: One-time impairment of assets	\$ -	\$ 1,555,612	\$ -
Less: Non-cash expenses of dep. & amort.	\$ 62,175	\$ (17,053)	\$ 19,952
Adjusted total operational expenses	\$ 2,092,964	\$ 1,975,090	\$ 2,848,791
Adjusted EBITDA operational profit (loss)	\$ (1,854,565)	\$ (2,074,566)	\$ (2,346,339)

** Adjusted EBITDA is a non-GAAP financial measure and does not have any standardized meaning prescribed by the Company's GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers. See "Non-GAAP Disclosures" below for additional information.*

On an Adjusted EBITDA basis, GLH reported a reduced EBITDA loss of \$(1,854,565) for the three months ended March 31, 2017 compared to an EBITDA loss of \$(2,346,339) for the three months ended March 31, 2016 and an EBITDA loss of \$(2,074,566) for the three months ended December 31, 2016. This EBITDA loss improvement and positive trend is a result of the Company's focus on continued cost-cutting and efficiency gains. In addition, GLH expects to recognize margin improvements once the Company begins manufacturing its own oils and edible products in its new Eugene, Oregon production facility.

Don Robinson, CEO of GLH commented, "Although revenue in Oregon for our first quarter of 2017 was flat year-over-year, we did show a significant increase in revenue growth as compared to the fourth quarter of 2016, and the Company remains optimistic for future quarters when it will be able to expand its wholesale product mix to include value priced cartridges, dabbable oils, edibles, and a wider variety of flower options. The new licensing and product line additions we launched in the beginning of 2017 have begun to bear fruit, and we are seeing this growth within both the Oregon and Washington state markets. We expect to launch the GLH Oregon brands in Washington and the BMF Washington brands in Oregon later in 2017. In addition, the Company plans to launch its portfolio of brands in Nevada upon completion of the NevWa, LCC acquisition. Moreover, we have made great strides executing on the strategic acquisition program we announced in early January that we believe will drive financial and shareholder value for our Company and our stakeholders."

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

Eugene Hill

Chief Financial Officer

Golden Leaf Holdings Ltd.

ghill@goldenleafholdings.com

Non-GAAP Disclosure

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, less all non-cash equity compensation expenses, including impairments, one-time transaction fees and all other non-cash items. Adjusted EBITDA is a non-GAAP financial measure which does not have any standardized meaning prescribed by the Company's GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers. It should not be considered in isolation as a substitute for measures of performance prepared in accordance with the Company's GAAP. Please refer to the Company's management's discussion and analysis for the year ended December 31, 2016 for further information on the Company's use of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net earnings.

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 "will", "may", "could", "would", "might" or "will be taken", "will be able to", "will occur" or "will 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.