Lineage Grow Company Ltd.
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LUCRATIVE BIG 16 SAN JOSE & BAY AREA ACQUISITION JUST GOT BETTER INCREASES INTEREST IN DISPENSARY, GROW, AND DELIVERY SERVICE TO 100% APPLAUDS RECENT EXTENSION OF THE ROHRABACHER-LEAHY AMENDMENT

Toronto, Ontario - Lineage Grow Company Ltd. (the "**Company**" or "**Lineage**") (**CSE:BUDD**) is pleased to provide an update on its previously announced binding letter of intent ("**LOI**") to acquire a 100% interest in Altai Partners LLC ("**Altai**"), a California limited liability company (the "**Acquisition**"). Concurrent to its agreement acquiring a 45% ownership interest in Lucrum Enterprises Inc., d/b/a LUX Cannabis Dispensary ("**LUX**"), Altai has entered into an additional agreement to acquire the remaining 55% ownership interest in LUX. Upon completion of the Acquisition, Lineage will hold a 100% ownership interest in LUX, one of only 16 licensed dispensaries operating in San Jose, California, among the world's most respected and welcoming cannabis markets.

Transaction Terms:

Under the terms of the Acquisition, the Company will purchase a 100% interest in Altai in exchange for the following consideration:

- $3,450,000 in common shares in the capital of Lineage ("**Common Shares**") priced at USD $0.20 per Common Share, to be issued to the Seller upon closing
- USD $750,000 to be lent to Altai under a Promissory Note at 12% annual interest, maturing May 31, 2018. This note will become a loan to subsidiary after completion of the Acquisition
- Lineage, under its ownership of Altai, will assume USD $1,200,000 in payment obligations towards Altai's purchase of LUX. This obligation includes four cash payments to LUX shareholders of USD $300,000, beginning April 28, 2018 and ending December 30, 2018

LUX currently holds 4 licenses including Retail, Cultivation, Extraction, and Delivery. Upon completion of the Acquisition, Lineage intends to leverage on these licenses to expand its presence through development of the entire Bay Area market and beyond. In the near-term, the Company intends to commence development of a cannabis delivery service for LUX's various product offerings and is currently engaged in discussions with multiple parties with a view towards establishing a dominant cannabis delivery business. Cannabis delivery services have and continue to experience significant growth in California since legalization, and development of its own delivery service will allow Lineage to provide a further integrated customer offering, and further develop its strategic objective of becoming one of the premier vertically integrated cannabis companies in the Bay Area.

Ernie Arreola, CEO of LUX, commented, "It's very exciting for myself and my partners to be joining Lineage. Their professionalism has been evident throughout this process and I believe our combined entity will bring significant value to the Bay Area cannabis market."

David Drutz, CEO of Lineage added, "Lineage acquiring a 100% interest in LUX, one of San Jose's very few licensed dispensaries will position us well to expand on our market presence. We view California as the most lucrative market in the U.S. This as an exciting opportunity to quickly begin our expansion across the state which fits well with our overall growth strategy going forward."

Completion of the Acquisition will be subject to satisfactory completion of due diligence, execution of a definitive agreement, all required approvals and consents, as well as the completion of the Altai acquisition of 100% ownership interest in LUX. There can be no assurance that the Acquisition will be completed as proposed or at all.

In addition, the Company is pleased to comment on the recent approval of the Consolidated Appropriations Act, 2018 ("**Omnibus Spending Bill**" or the "**Bill**"), which extended the Rohrabacher-Leahy Amendment ("**Rohrabacher-Leahy**") until the end of September 2018. On March 22, 2018, the House of Representatives and Senate voted in favour of approving the Omnibus Spending Bill and it was signed into law the following day by the President of The United States. With the Bill's approval comes an extension of Rohrabacher-Leahy Amendment until September 2018, which is represented by Section 538 of the Bill. Rohrabacher-Leahy Amendment prevents the US Department of Justice from using federal funds in enforcing federal law relating to medical cannabis, which effectively allows states to implement their own laws that authorize the use, distribution, possession, or cultivation of medical marijuana. The amendment was first introduced in 2014 and has been reaffirmed annually since then. Lineage commends this development and welcomes the opportunity to roll out its corporate strategy in an more certain legal environment.

For further information, please contact:

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This news release may contain forward-looking statements and information based on current expectations. Any such forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Forward looking information in this news release includes the following statements: i) expected terms of the Acquisition; ii) expected Altai acquisition of 100% of LUX; iii) expected loan advances to Altai; iv) management's belief that the Acquisition will provide strong foothold in the influential and growing California retail dispensary market, LUX's retail platform will support future assets to be acquired, and v) the development and success of the Company's establishment of a cannabis delivery service.

These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Such risks include operational risks; U.S. federal regulation risks; variation in state regulations; change of cannabis laws; security risks; risks related to operational permits and authorizations; risks on liability, enforcement complaints etc.; banking risks; risk that the Company's limited operating history makes evaluating its business and prospects difficult; need for funds; risk that the Company may be exposed to infringement or misappropriation claims by third parties, which, if determined adversely to the Company, could subject the Company to significant liabilities and other costs; risk that the Company may need to incur significant expenses to enforce its proprietary rights, and if the Company is unable to protect such rights, its competitive position could be harmed; risks related to trade secrets; risk that Company is dependent upon its existing management, its key research and development personnel and its growing and extraction personnel, and its business may be severely disrupted if it loses their services; risk of potential for conflict of interest; risk related to inability to innovate and find efficiencies; competition risks; risk that a drop in the retail price of medical

marijuana products may negatively impact the business; consumer acceptance of marijuana; potential future acquisitions and/or strategic alliances may fail to materialize and may have an adverse effect on the Company's ability to manage its business; risk on management of growth; risk related to general economic trends; tax risk and currency fluctuation risks. For details of the risks faced by the Company, please see the Company's listing statement dated February 26, 2018 available at www.sedar.com under the Company's profile. There is no certainty that any of these events will occur. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct.

All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by applicable securities laws.