

CROP SECURES THC LICENSE PORTFOLIO AT NEW 1,000 ACRE FARM FOR CULTIVATION, EXTRACTION, COMMERCIAL KITCHEN AND RETAIL

SEPTEMBER 26th 2018 - VANCOUVER, BRITISH COLUMBIA - CROP INFRASTRUCTURE CORP. (CSE: CROP) (OTC: CRXPF) announces that its subsidiary Elite Ventures Group LLC has signed a joint venture agreement with The Hempire LLC of Nevada (the “Tenant”) to purchase a 100% interest in an 1,000 acre Esmeralda County agricultural cannabis project tenanted with a suite of cannabis licenses including medical cultivation, medical production and with adult use recreational cultivation & production conditional licenses as well as an option to acquire a retail dispensary application assigned to a strategic location on highway 95 on route to Las Vegas. CROP has agreed to loan up to \$4,250,000 USD over a period of the next 6 months to acquire 100% of the initial 10 acres of real estate and associated infrastructure with the additional 1,000 acres being paid for at a cost of \$4,500,000 over a 20-year amortization period at 6% interest with a 3-year balloon payment. CROP will receive preferential payback on the project at a rate of 60% of the net profits from Elite.

Esmeralda County is one of the only jurisdictions in Nevada where climate and zoning allows for greenhouse or outdoor growing. This will be significant for our tenant growers and brand licensee to be able to provide high quality product on a large scale at the lowest cost possible, keeping with CROP’s strategy.

The initial set up costs of outdoor 80-acre operation will be approximately \$1,200,000 and should yield tenants 160,000 pounds of outdoor cannabis for extraction and edibles and a 44,000 square foot light supplemented greenhouse facility at a cost of \$2.0 Million. The greenhouse facility should yield tenants 24,000 pounds of high quality flower per year with an additional 25% for extraction and edibles. The project can be expanded up to 300 acres of combined greenhouse and outdoor cultivation.

[RBC Capital Markets](#), an investment bank that’s part of Royal Bank of Canada, issued a memo to clients outlining the rapid growth of the U.S. marijuana sector. The memo, authored by Nik Modi, shows how cannabis sales in the U.S. are gaining ground on beer and wine sales. Projecting a compound annual growth rate (CAGR) of 17 percent, Modi estimates that the legal cannabis category could reach \$47 billion in sales annually in the United States within the next decade, according to [Business Insider](#).

The Esmeralda Property

- 10 acres of land adjacent to Highway 95 outside of Tonopah
- 10 acre-feet of ground water rights
- Option to acquire 1,000 acres of contiguous property with water rights
- 2,400 sqft production, extraction, commercial kitchen facilities with state approval
- NV Energy Utility agreement for cultivation building and expansion to 12,000 sqft.
- Equipment included: Building, main HVAC system, lighting, backup generator, sinks, and restroom fixtures.

CROP Infrastructure Director and CEO, Michael Yorke, stated: “CROP now has over 1,000 acres for THC Cannabis cultivation, extraction, commercial kitchen and 1,865 acres for HEMP CBD production in Nevada. Our ambition has always been to be early mover and establish our market footprint in any jurisdiction we invest in. Next year CROP plans on having the largest real estate foot print in the State of Nevada with tenanted operations in the fast-growing CBD & THC markets.”

About CROP

Crop Infrastructure Corp. is publicly listed on the Canadian Securities Exchange and trades under the symbol “CROP” and in the US under the symbol “CRXPF”. CROP is primarily engaged in the business of investing, constructing, owning and leasing greenhouse projects as part of the provision of turnkey real estate solutions for lease-to-licensed cannabis producers and processors offering best-in-class operations. The Company’s portfolio of projects includes cultivation properties in California, two in Washington State, a 1,000-acre Nevada Cannabis farm, a 1,865 CBD farm, extraction in Nevada with international focuses in Jamaica and Italy and a joint venture on West Hollywood and San Bernardino dispensary applications. CROP has developed a portfolio of assets including Canna Drink, a cannabis infused functional beverage, US and Italian distribution rights to over 55 cannabis topical products and a portfolio of 16 Cannabis brands.

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Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Offering, the securities issuable thereunder and the Transaction are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. In addition, marijuana remains a Schedule I drug under the United States Controlled Substances Act of 1970. Although Congress has prohibited the US Justice Department from spending federal funds to interfere with the implementation of state medical marijuana laws, this prohibition must be renewed each year to remain in effect. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the expected yield from The Esmeralda Property; the technological effects of The Esmeralda Property on production; the intention to expand its portfolio; and execute on its business plan. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the regulatory and legal framework regarding the cannabis industry in general among all levels of government and zoning; risks associated with applicable securities laws and stock exchange rules relating to the cannabis industry; risks associated with maintaining its interests in its various assets; the ability of the Company to finance operations and execute its business plan and other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

The CSE has not reviewed, approved or disapproved the content of this press release.