



Pasha Brands Secures Supply Agreement with Canada’s First Licensed Micro Processor, North 40 Cannabis

VANCOUVER, BC (August 12, 2019) – Pasha Brands Ltd. (“**Pasha**”) (CSE: **CRFT**) (OTC:**CRFTF**) (FSE:**ZZD**), North America’s largest craft cannabis brand house, is pleased to announce that its wholly owned subsidiary, BC Craft Supply Co. Ltd (“**BC Craft**”), has signed a supply agreement with Canada’s first licensed micro processor, North 40 Cannabis (“**North 40**”).

Founded by Gord Nichol in Nipawin, Saskatchewan, North 40 Cannabis received its micro-cultivation and micro-processing licences from Health Canada on July 26, 2019. Under the agreement with Pasha, North 40 will supply BC Craft with North 40’s annual production, to be sold as dried flower and other cannabis products in Canada.

“I’m absolutely thrilled to have signed an agreement with a company like Pasha,” said Gord Nichol, founder of North 40 Cannabis. “They have shown micro cultivators like me that they are dedicated to ensuring craft producers in Canada will flourish under legalization. I’m excited to move ahead and looking forward to our first harvest this year.” North 40 Cannabis will plant its first legal crop in August 2019 and harvest later in the fall.

With Canada’s current licensed cannabis producers only able to supply an estimated 15 per cent of what Canadians are consuming, Pasha is optimistic that, in addition to its previously established supply agreement with Hearst Organic, this new supply agreement with a licensed micro cultivator and micro processor will help correct the cannabis supply imbalance and bring exciting new products to market. Each micro cultivator in Canada will be able to produce approximately 500 kilograms of cannabis per year, while each micro processor can process up to 600 kilograms of cannabis per year. Canada has tens of thousands of craft producers operating in the illicit cannabis market and Pasha’s wholly-owned subsidiary BC Craft Supply Co. is focused on helping as many small farmers transition into the regulated market as possible.

“Signing this agreement with Canada’s first micro processor is very significant as it affirms BC Craft’s business model with not only the micro-cultivation market but also now with processors,” said Jason Longden, CEO of Pasha Brands in reaction to the news. “North 40 has established a state-of-the-art cultivation and processing facility and we are proud to work with such an innovative team. This is simply the next step in fulfilling our goal of becoming the biggest producer of craft cannabis products in Canada and I’m confident North 40 will help us bring Canadians more of the cannabis that they’re looking for.

Media & Investor Relations Contact

Emerald Asuncion
communications@pashabrands.com
(236) 521-5135

About Pasha Brands

Based in Vancouver, British Columbia, Pasha is a vertically integrated, prohibition-era brand house firmly rooted in BC's craft cannabis industry, which boasts an international reputation. With proven capabilities in cannabis cultivation, genetic research and development, product processing, and retail, Pasha is uniquely positioned in the new legal cannabis market through its network of hundreds of craft cannabis suppliers under the Pasha umbrella.

Pasha subsidiary, Medcann Health Products Ltd., is a Health Canada licensed cultivator and processor with a licence to sell medical cannabis products in Canada.

Pasha and BC Craft are also developing a craft cannabis campus, which is dedicated to bringing craft quality into the newly legal cannabis market in Canada. BC Craft is driven to assist craft growers in obtaining security clearance and licensing to grow as micro-cultivators, specializing in education and compliance to bring growers into the regulated cannabis supply market.

Pasha's common shares trade on the CSE under the symbol "CRFT" and on the FSE under the symbol "ZZD".

For more information, please visit www.pashabrands.com

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this press release, which has been prepared by management.

Cautionary Note Regarding Forward Looking Statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation, including statements with respect to the representation of Pasha Brands' products across Canada and the expansion of Pasha Brand's business outside of Canada. Forward-looking statements are necessarily based upon a number of estimates and assumptions

that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. There can be no assurance that such statements 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 statements. Pasha 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 law.