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Citation Growth Corp. Reports on Ramp Up of Branded Concentrate Production for the Nevada Market and Continued Margin Growth in California

KELOWNA, BRITISH COLUMBIA – December 5, 2019 – **Citation Growth Corp.** (CSE: **CGRO**) (OTCQX: **CGOTF**) ("Citation" or the "Company"), a licensed cannabis cultivator and producer, is pleased to provide a corporate update.

Branded Product Production Ramp Up

Over the four weeks, Citation has fundamentally changed its revenue generation model through the start-up of its production license. Over the last two months, the Company has begun to shift from a pure-play cultivation company to that of company focused on the high growth branded concentrates market through the introduction of its branded lines of waxes, shatters, infused pre-rolls and triple certified organic vapes.

Since this branded production ramp up, Citation has produced approximately USD\$1.0 million worth of wholesale branded products. The Company is awaiting final state approval before sales of these products will commence. The company is expecting this approval at the beginning of next week.

Citation expects to further increase its sales and margins through the roll out of its Diamante and Superior branded concentrate lines that will complement the existing Fiore, Garden of Weeden and Blunt Box brands.

California Dispensary Optimization and Margin Growth

In Desert Hot Springs California, the Company's 100% owned and operated retail dispensary, Green Leaf Wellness continues to see increased revenue and profit margins since its strategic assets rationalization program began in September.

In October, the dispensary had revenues of approximately USD\$130,000 with a gross profit margin of 55%, compared to revenues of approximately USD\$100,000 per month with profit margins of approximately 26% prior to the amalgamation of Citation and ACC Group of Companies.

As previously stated, through operational optimization and execution which should be finished by the end of 2019, the Company is expecting annualized revenue of greater than USD\$2mm per year with gross profit margins of greater than 65%.

About Citation Growth Corp.

Citation Growth Corp. is a publicly traded company that has been investing in the medical and recreational cannabis space since 2014. Citation has rapidly expanded its operating portfolio to include cultivation,

production, and dispensary locations in key North American state-legal jurisdictions and is seeking expansion opportunities worldwide.

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Stock Exchanges:

Citation trades in Canada, under the ticker symbol "CGRO" on the CSE, and in the U.S., under the ticker symbol "CGOTF" on the OTCQX Best Market (the "**OTCQX**"). The Company also trades on other recognized platforms in Europe including Frankfurt, Stuttgart, Tradegate, L & S, Quotnx, Dusseldorf, Munich, and Berlin.

Neither the CSE nor its Regulation Services Provider, nor the OTCQX® has approved nor disapproved the contents of this press release. Neither the CSE, nor the OTCQX® accepts responsibility for the adequacy or accuracy of this release.

Marijuana Industry Involvement:

The Company owns marijuana licenses in California and Nevada. Marijuana is legal in each state; however, marijuana remains illegal under United States federal law and the approach to enforcement of U.S. federal law against marijuana is subject to change. Shareholders and investors need to be aware that federal enforcement actions could adversely affect their investments and that the Company's ability to support continuing U.S.-based operations and its access private and public capital could be materially adversely affected.

The Company's business is conducted in a manner consistent with state law and is in compliance with applicable state licensing requirements in the U.S. The Company has internal compliance procedures in place and has compliance focused attorneys engaged in jurisdictions to monitor changes in laws for compliance with U.S. federal and state law on an ongoing basis. These law firms inform any necessary changes to our policies and procedures for compliance in Canada and the U.S.

Unlike in Canada which has Federal legislation uniformly governing the cultivation, distribution, sale and possession of cannabis under the *Cannabis Act* (Canada), readers are cautioned that in the U.S., cannabis is largely regulated at the state level. To the knowledge of the Company, there are to date a total of 33 states, plus the District of Columbia, that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the U.S. and as such, cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under the U.S. federal law, nor will it provide a

defense to any U.S. federal proceeding, which may be brought against the Company. Any such proceedings brought against the Company may materially adversely affect its operations and financial performance in the U.S. market.

Currently, listings of Canadian companies on the CSE will remain in good standing as long as they provide the disclosure that is required by the applicable Canadian securities regulators and complying with applicable licensing requirements and the regulatory framework enacted by the applicable state in which they operate.

Forward-Looking Statements:

This news release contains forward-looking statements that relate to our current expectations and views of future events. These statements relate to future events or future performance. Statements which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future including words or phrases such as "anticipate", "objective", "may", "will", "might", "should", "could", "can", "intend", "expect", "believe", "estimate", "predict", "potential", "plan", "is designed to", "project", "continue", or similar expressions suggest future outcomes or the negative thereof or similar variations. Forward-looking statements may also include, among other things, statements about the Company's: ability to reinvest profits generated from its operations; future business strategy; realization of the anticipated benefits of the Transaction; expectations of obtaining licenses and permits; expectations regarding expenses, sales and operations; future customer concentration; anticipated cash needs and estimates regarding capital requirements and the need for additional financing; total processing capacity; the ability to anticipate the future needs of customers; plans for future products and enhancements of existing products; future growth strategy and growth rate; future intellectual property; regulatory approvals and other matters; and anticipated trends and challenges in the markets in which the Company may operate.

Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the demand for our products; anticipated costs and ability to achieve goals; the Company's ability to complete any contemplated transactions; historical prices of cannabis; and that there will be no regulation or law that will prevent the Company or ACC from operating its businesses; the state of the economy in general and capital markets in particular; present and future business strategies; the environment in which the Company will operate in the future; the estimated size of the cannabis market; and other factors, many of which are beyond the control of the Company. While such estimates and assumptions are considered reasonable by the management of the Company, they are inherently subject to significant business, economic, competitive and regulatory uncertainties and risks. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, the reader should not place undue reliance on these forward-looking statements.

Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: accuracy of information provided by management of ACC to the Company regarding its management estimated future capital expenditure costs, revenue, and timeframe for the completion of its Pahrump, Nevada facility; business, economic and capital market conditions; the ability to manage the Company's operating expenses, which may adversely affect the Company's financial condition; the Company's ability to remain competitive; regulatory uncertainties; market conditions and the demand and pricing for our products; exchange rate fluctuations; the risk of difficulties in the integration of the Company and ACC; security threats; the Company's relationships with its customers, distributors and business partners; the Company's ability to attract, retain and motivate qualified personnel; industry competition; the impact of technology changes on the Company's products

and industry; the Company's ability to successfully maintain and enforce its intellectual property rights and defend third-party claims of infringement of their intellectual property rights; the impact of litigation that could materially and adversely affect our business; the Company's ability to manage its working capital; and the Company's dependence on key personnel. The Company is not a positive cash flow company and it may not actually achieve its plans, projections, or expectations (the Company and ACC have a history of losses).

Important factors that could cause actual results to differ materially from the Company's expectations include, consumer sentiment towards the Company's products and cannabis generally; risks related to the Company and ACC's ability to maintain its licenses issued by governments in good standing; uncertainty with respect to the Company and ACC's ability to grow, store and sell cannabis; risks related to the costs required to meet the obligations related to regulatory compliance; risks related to the extensive control and regulations inherent in the industry in which the Company and ACC operate; risks related to governmental regulations, including those relating to taxes and other levies; risks related to an early stage business and a business involving an agricultural product and a regulated consumer product; risks related to building brand awareness in a new industry and market; risks relating to restrictions on sales and marketing activities imposed by governments; risks inherent in the agricultural business; risks relating to energy costs; risks relating to product liability claims, regulatory action and litigation; risks relating to recall or return of products; and risks relating to insurance coverage; global economic climate; equipment and building failures; increase in operating costs; decrease in the price of cannabis; security threats; government regulations; loss of key employees and consultants; additional funding requirements; volatility in the securities of the Company; changes in laws; technology failures; failure to obtain permits and licenses; anticipated and unanticipated costs; competition; risks associated with the substantial obligations of being a public company; and failure of counterparties to perform their contractual obligations. This list is not exhaustive of the factors that may affect the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements.

Except as required by law, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future event or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Neither the Company nor any of its representatives make any representation or warranty, express or implied, as to the accuracy, sufficiency or completeness of the information in this news release. Neither the Company nor any of its representatives shall have any liability whatsoever, under contract, tort, trust or otherwise, to the reader or any person resulting from the use of the information in this news release by the reader or its representatives or for omissions from the information in this news release.

The securities of the Company are considered highly speculative due to the nature of the Company and ACC's businesses.

All information in this news release concerning ACC has been provided for inclusion herein by ACC. Although the Company has no knowledge that would indicate that any information contained herein concerning ACC is untrue or incomplete, the Company assumes no responsibility for the accuracy or completeness of any such information.

Accordingly, readers should not place undue reliance on forward-looking statements. Financial amounts are in United States Dollars, unless otherwise specified.

Not an Offer or Solicitation:

This press release is not an offer of the Company's securities for sale in the U.S. The securities may not be offered or sold in the U.S. absent registration or an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Company will not make any public offering of its securities in the U.S. The Company's securities have not been and will not be registered under the U.S. Securities Act.