

## CITATION GROWTH ANNOUNCES LEADERSHIP TRANSITION TO ACCELERATE TRANSFORMATION INTO PREMIUM CANNABIS LICENSED PRODUCER

KELOWNA, BRITISH COLUMBIA – February 121, 2020 – Citation Growth Corp. (CSE: CGRO) (OTCQX: CGOTF) (“Citation” or the “Company”), a licensed cannabis cultivator, producer and retailer, today announced that Interim CEO, Rahim Mohamed, has departed the Company for personal reasons, including resigning his Board position. The Board of Directors has named Erik Anderson, a proven business operator and veteran turnaround expert, as President and Chief Executive Officer, effective immediately. Mr. Anderson will also join the Board of Directors.

“We’ve established Citation Growth as a premium cannabis cultivator and producer focused on the U.S. market in Nevada and the Canadian market based out of British Columbia with one retail dispensary operating in California. The Board has determined that for the next phase of the Company’s growth we can benefit from leadership with the skills and experience to generate growth and transform the organization into a premium vertically integrated cannabis player. We’re pleased to have Erik join us to serve as our CEO and to champion our efforts to drive long-term, profitable growth and shareholder value,” said Marcel LeBlanc, Citation Growth Chairman.

Mr. Anderson has more than 25 years of experience operating successful businesses and delivering proven operating and financial performance. His career has included founding and operating a management consulting firm, multiple executive leadership roles in the telecom industry, establishing and eventually divesting a wireless GPS solution provider for major corporations in the energy space, operating and optimizing an oilfield services company during a turnaround phase, and establishing business strategies that included raising funds for multiple early-stage cannabis companies entering public markets. His experience driving growth and efficiencies at these companies, along with his deep knowledge of the cannabis space, will enable the Company to accelerate momentum during this period of transformation.

“I’m a firm believer the U.S. is on a path towards federal adult recreational legalization for cannabis which can provide outstanding growth opportunities to Citation Growth. I am excited to join this organization which operates already in several adult rec markets in the U.S. and which clearly has the technical expertise and proprietary cultivation methods to become a dominant force in both medical and recreational cannabis markets in the U.S. and Canada.”

### **About Citation Growth Corp.**

Citation Growth Corp. (CSE:CGRO) (OTCQX:CGOTF) is a publicly traded company that has been investing in the development of the medical and recreational cannabis space since 2014. Citation has expanded its operating portfolio over time to include cultivation, production and retail offerings in key North American legal jurisdictions such as Nevada, California,

Washington and British Columbia. For more information, please visit [www.citationgrowth.com](http://www.citationgrowth.com).

**For further information:**

Erik Anderson, President and CEO  
1-877-438-5448 Ext 1  
[eanderson@citationgrowth.com](mailto:eanderson@citationgrowth.com)

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**Cannabis 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. Notwithstanding the permissive regulatory environment of medical cannabis at some of 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.

**Forward-Looking Statements:**

This news release contains forward-looking statements or information 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 future business strategy; 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; changes in laws and regulations; 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 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: management estimated future capital expenditure costs, revenue, and timeframes for operations; 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; 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 has a history of losses).

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

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's ability to maintain its licenses issued by governments in good standing; uncertainty with respect to the Company'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 operates; risks related to governmental regulations, including those relating to taxes and other levies; risks related 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.