



## **ORCHID VENTURES SECURES EXCLUSIVE GLOBAL LICENSE FOR CELLG8®, A PATENTED AND CLINICALLY PROVEN DELIVERY SYSTEM FOR CANNABIS PRODUCTS**

IRVINE, CA - APRIL 2, 2020 - **ORCHID VENTURES, INC. (CSE: ORCD OTC: ORVRF)** (the “**Company**” or “**Orchid**”), a multi-state cannabis company, is pleased to announce that Orchid, through a wholly owned subsidiary, has entered into a licensing agreement, dated March 31, 2020 (the “**Licensing Agreement**”) with two privately held nutrient delivery system companies. The Licensing Agreement provides the Company with global exclusivity to CELLg8®’s patented liposomal delivery technology for use in THC products and rights to sell for all other cannabinoids, nutrients, vitamins, and supplements.

Pursuant to the Licensing Agreement, the Company will have the global exclusive right to sell CELLg8® for use in THC products and non-exclusive right to sell the product within CBD, supplement, vitamin, and nutraceutical industries. Under the Licensing Agreement, the Company will issue an aggregate of 6,000,000 common share purchase warrants (“**Warrants**”) which will allow the Licensors to acquire one common share of the Company (a “**Warrant Share**”) at a price of \$0.05 per Warrant Share for a period of 24 months. Certain of the Warrants are subject to certain vesting milestones, as follows: (a) 1,500,000 Warrants are immediately exercisable; (b) 1,500,000 Warrants once the Company does US\$3MM in aggregate sales of CELLg8®; (c) an additional 1,500,000 Warrants once the Company does US\$10MM in aggregate sales of CELLg8®; and (d) 1,500,000 Warrants once the Company does US\$15MM in aggregate sales of CELLg8®. The Warrants issued in connection with the Licensing Agreement are non-transferable and any Warrant Shares issued upon the exercise thereof will be subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws. To maintain global exclusivity of CELLg8® use in THC products, the Company must meet the following purchase requirements:

Timeline	Target
Month 1-6	Licensee purchasing at least US\$350,000.00 in Products from CELLg8® in the first consecutive six month period commencing with the Effective Date
Month 7-12	Licensee purchasing at least US\$650,000.00 in Products from CELLg8® by the end of the consecutive 12 month commencing with the Effective Date
Month 12-18	Licensee purchasing at least US\$1,000,000.00 in Products from CELLg8® by end of the consecutive 18 month period commencing with the Effective Date

CELLg8® is a nutrient delivery system that has been clinically proven through safety, absorption, and blood glucose studies to enhance the absorption of most vitamins, minerals, herbs and cannabinoids. CellG8® was developed by Dr. Emek Blair and has been published in five medical journals including The American Journal of Endocannabinoid Medicine and the Journal of the American Chemical Society. When CellG8® is formulated with cannabis products, it drastically increases bioavailability and even more importantly, makes edible products effective in less than 5 minutes. The amount of active THC needed in a dose is also reduced by over 80% because of the effectiveness and bioavailability. Published clinical studies can be found at [www.CELLg8Sciences.com](http://www.CELLg8Sciences.com).



“For several months we have been working with Puffin Hemp® developing a scalable solution for the cannabis, CBD, and nutraceutical industries. CELLg8® is not only clinically proven and published, but has also undergone a safety study with cannabinoids and is proven to not only be safe, but highly effective. The fact that people will no longer be waiting an hour or more for an edible to take effect, will drastically increase consumer confidence. Orchid did not launch edible products because we always had safety concerns due to the length of time they take to kick in. The result is that many people consume more than they should and have a negative and potentially unsafe experience. Now with CELLg8®, we are able to eliminate that concern with a product that takes effect in less than five minutes. The development around this product has been incredible, and we feel that CELLg8® won't be an option for brands, it will be the industry standard. The fact that we have science now that is clinically proven and published, allows us to work

with brands globally to increase their product efficacy and ultimately provide a better and safer user experience, is a game changer.” said Corey Mangold, Founder & CEO. “In the last six months, we have kept our heads down and focused on expanding our portfolio, driving revenue diversification and staying focused on what brought us into this industry, ‘Creating the Highest Standards in Cannabis’. With the recent launch of PurTec Delivery Systems which provides the cleanest and best performing vape hardware on the market, along with other unique delivery systems, and now with CELLg8®, we are well positioned to be one of the leading innovation companies in the cannabis industry.”

“It’s not ‘You are what you eat.’ It’s ‘You are what you absorb,’” Dr. Emek Blair, founder and inventor of CELLg8® explains. “Our bodies are fundamentally terrible at absorbing nutrition. What a lot of people complain about, especially when they’re taking supplements, is that they take it and they don’t feel any different. That’s because when you’re taking CBD, for instance, 95 percent of it gets rejected by your body, and it takes a long time to absorb.”

To improve absorption levels, Blair looked at how infants absorb nutrients from breast milk, and discovered that by surrounding CBD particles with little fat bubbles (the difference between liposomal hemp and ordinary hemp), the human body would recognize the CBD as nutrition and absorb on a larger scale.

“If I don’t need a whole lot of hemp — because almost all of it is getting absorbed — then I don’t need a huge farm. If I don’t need a huge farm, I need less electricity, less gasoline, less everything, so there’s less pollution,” Blair explains. “We try to be as environmentally conscious as possible, and so not only do we use local hemp, we also use one-twentieth of the amount of hemp.”

While supplements hold many health benefits, the majority are destroyed and not absorbed after consumption. The active nutrient compounds go unused and are wiped out by the system. The 8th generation liposomes, created through CELLg8 technology, has been shown to dramatically increase the absorption of nutrient actives - up to 20x higher than regular supplements and 10x higher than any other formula on the market. The CELLg8® lipid delivery technology is clean, safe, and perfected as a scalable production process. With molecular and flavor science, CELLg8® is an ideal partner for cannabis products.

CELLg8® Sciences has begun working and formulating with several multi-state brands in the cannabis and CBD industries. Product formulation testing with the first group of brands is nearing completion and products are projected to hit shelves in Spring 2020. For more information please visit [www.CELLg8Sciences.com](http://www.CELLg8Sciences.com).

## **ABOUT ORCHID ESSENTIALS**

Orchid Essentials is an Irvine, CA-based multi-state operator that launched in Oregon and California in August 2017 and has since developed a mass-market brand and loyal consumer following with its premium cannabis products and unique vape hardware delivery system. Since July 2019, Orchid has diversified its efforts and has brought to market innovative services and product offerings to support brands throughout the global cannabis industry. Orchid has diversified its portfolio to include PurTec Delivery Systems, a company that produces, markets and sells clean vaporizer hardware that has been emissions tested against the most stringent standards in the world set forth by the EU and has unrivaled product quality and value pricing. Orchid, through its wholly owned subsidiary, has launched a patented and clinically proven bioavailability solution to increase the absorption of THC and other cannabinoids making products much more effective and an activation time of less than five minutes. With a continued focus on brand and intellectual property development, Orchid will continue to create new and innovative products and technologies, then bring them to the global cannabis marketplace and set the gold standard for delivery systems whether it's vape or formulation sciences. Orchid's management brings significant branding, product development and distribution experience with a proven track record of scaling businesses and building sustainable revenue growth through value-generating partnerships and innovation that creates enterprise value. Learn more at <https://orchidessentials.com/>

## **ON BEHALF OF THE BOARD OF DIRECTORS – ORCHID VENTURES, INC.**

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which could cause actual results to differ materially from these forward-looking statements include such factors as (i) the development and protection of our brands and other intellectual property, (ii) the need to raise capital to meet business requirements, (iii) significant fluctuations in marketing expenses, (iv) the ability to achieve and expand significant levels of revenues, or recognize net income, from the sale of our products and services, (v) the Company's ability to conduct the business if there are changes in laws, regulations, or government policies related to cannabis, (vi) management's ability to attract and maintain qualified personnel necessary for the development and commercialization of its planned products, and (vii) other information that may be detailed from time to time in the Company's Canadian securities regulatory filings with sedar.com. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.