Citation Growth Announces Operational Update and Introduction of Proprietary FSM Technology to North Las Vegas Facility

Calgary, AB, May 20, 2020 - Citation Growth Corp (the “company” or “CGRO”) (CSE:CGRO) (OTCQX:CGOTF), a licensed cannabis cultivation and processing multi-state operator with six brands targeting both the medical and recreational market, is pleased to provide an operational update and introduction of the FSM (Full Spectrum Medicinal) growing technology and methodologies to the North Las Vegas facility (“Apex”).

The company is pleased to announce they have begun the transformation at their Apex facility in North Las Vegas, which will include the application of the proprietary growing technology and methodology acquired from FSM. The company has already completed the change over of 15% of the lighting system at Apex to the full spectrum LED lighting system. The company continues to replace the remaining lights at the facility and expects the process to be finalized by the end of the summer. The net cost to CGRO is minimized by the offsetting credit received for the previous lighting system and will also be funded from the sale of the Celista B.C. assets, which is expected in mid-June.

FSM offers a proprietary technology and platform utilizing the organic method of growing for medical cannabis. The development of the organic method of cannabis growth stems from a vast amount of research done by the likes of Prof. Mandell, a medical researcher from Israel, who worked with Prof. Raphael Mechoulam on cannabis and other ground breaking research in how cannabis affects human health. The FSM method increases the beneficial medical ingredients and removes any secondary negative aspects of man-made chemical compounds, herbicides, fungicides, and pesticides. The FSM fully tested organic platform produces the a highly sought-after end product with a focus on health and wellness. For more information on these studies please see: http://mechoulamthescientist.com/

The lighting change coupled with the FSM growing technology and changeover of the earth used in the growing process is expected to increase production from the facility by a factor of threefold while also allowing CGRO to maintain its organic growing methods. The recent changes and optimization of processes have allowed the company to decrease overhead costs by reducing staffing by 50% and ongoing power and supply costs are also expected to be greatly decreased. The company has further added to its bench strength on the Board of Directors and expects to continue to fill roles with seasoned veterans of the cannabis industry in the coming weeks.

Operations have continued while the aforementioned changes have been implemented and the company has 145lbs of dried flower in inventory that is earmarked for extraction. Future harvests under the previous lighting and growing system will also be sent for extraction and used in value added products.

The initial harvests under the new lighting and FSM growing methodology will be available to the market in late summer.

“We are pleased with the progress we have made in a relatively short period since changing over the management team and adding to the Board,” said Citation CEO Erik Anderson. “We see the Apex facility as our launching pad to a new phase of growth for Citation and expect to be updating the market with our progress over the coming months. Our goal to be Operational Cashflow and EBITDA positive by our fiscal year end, while seemingly difficult only a few short months ago, is now achievable. The team we have put in place is one of the strongest in the industry and our proprietary growing methodologies and technology will drive us towards our financial goals and overall success. We are moving forward and we will be successful.”
Citation Growth Corp. (CSE:CGRO) (OTCQX:CGOTF) is a publicly traded company that has been investing in the development of medical and recreational cannabis products since 2014. Citation has expanded its operating portfolio to include cultivation, production and retail offerings in our key North American legal jurisdictions Nevada, California, Washington and British Columbia. For more information, please visit www.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.

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.