

**ARCTURUS GROWTHSTAR TECHNOLOGIES INC.**

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**NEWS RELEASE**

**ARCTURUS SIGNS SHARE PURCHASE AGREEMENT & ACQUIRES WORLD WIDE RIGHTS TO  
ADVANCED ARG-TECH PATENTS**

May 25, 2016 – Vancouver, British Columbia – Arcturus Growthstar Technologies Inc. (the “Company” or “Arcturus”) (CSE: AGS) is pleased to announce that further to the Company’s news release dated May 20, 2016, it has entered into a definitive purchase agreement with TC Holdings Inc. and TerraCity Lawrence, LLC (the “Purchase Agreement”) to acquire all of the outstanding interest of TC Holding Inc. (“TC Holding”) in TerraCity Lawrence, LLC (“TerraCity”) in consideration for 14,976,580 Common shares of the Company. TC Holdings is the registered and beneficial owner of the right, title and interest in 75 per cent of TerraCity’s authorized outstanding capital.

Ray Reedyk acted as a finder in connection with the transaction and a total of 1,497,658 Common shares of the Company were issued to the finder.

In conjunction with the agreement, the Company has also entered into a license agreement with TerraSphere Systems, LLC (the “License Agreement”), whereby Terrasphere Systems, LLC (“TerraSphere”) has licensed exclusive worldwide rights to Arcturus for its proprietary system for growing plants in controlled environment agriculture facilities (the “TS CEA Growth System”). Michael Withrow, Chairman, stated “ We now have the missing link to being a fully integrated agricultural systems integrator.” Mr. Withrow went on to say “We can now offer a viable answer to the world food shortages and water as water relates to while minimizing transport costs by partnering with communities and producers of produce and herbs. This is truly a green answer to a long quest in the human need to access food.”

The world wide right to the Controlled Environment Agriculture (“CEA”) patents enables the company the right to implement an advanced agricultural method of growing vegetation that minimizes the use of natural resources. A CEA system can yield year-round crop production anywhere, anytime by eliminating weather-related crop failures. The system design uses 90% less water than conventional farming methods by recycling the water through a closed loop system. The design of an indoor environmentally controlled system eliminates the need for pesticides, herbicides and chemical fertilizers. This renewable system has no agricultural run-off. This business model provides a food supply solution to meet the needs of growing populations, particularly those with limited access to fresh, pesticide-free healthy foods at a reasonable cost.

The planned commercial-scale CEA facility is defined as a light industrial, light manufacturing and urban agriculture greenhouse. The indoor production concept is more practical in an urban setting than a greenhouse due to lack of sufficient land space, security, and climate considerations. This patented system advances cultivation methods and food production systems to feasible state not achievable in the past. The CEA system design is comprised of individually programmed rooms that are automated, software driven and sensitive to environmental concerns. All plants are grown using the companies vertically stacked trays that are exposed to exacting amounts of light supplied by a low energy, accurate light spectrum source that is adjustable to accommodate a larger cultivar.

Plants are watered via an injection system that measures and recycles the precise amount of water and nutrients needed to raise the plants. Produce is then grown and harvested in a cooled environment, which virtually eliminates waste due to degradation during and after the harvesting process. This system design can be customized and retrofitted for any space.

For further information, contact Michael Withrow, Director, at 604.689.2646.

On behalf of the Board,

**Arcturus Growthstar Technologies Inc.**

Michael Withrow, Director

**About Arcturus**

The Company is in the business of developing and distributing Agri-Tech Systems and LED based lighting solutions for both commercial and residential applications. The focus is on delivering cost efficient lighting to North America via advanced e-commerce sites the company owns and operates. The Company's LEDCanada.com website, which caters to all Canadian consumers as well as B2B customers via Contractor and Re-Seller log-in areas, attracts thousands of customers per month. LED Canada is a trusted supplier of the newest and highest quality LED Lighting solutions, helping take the guess work out of this "sometimes confusing" technology. The Company also owns and operates COBGrowlights.com which caters to both large and small greenhouses and indoor cultivation individuals. The Company's Growthstar brand of LED lights have been top rated for almost 5 years and our newest COB and MCOB (Chip on board and Multiple Chips on Board) technologies are proving to be a game changing revolution in the world of "LED Grow Lights" by providing the first true option for replacing the millions of HPS lamps currently industry standard with 50% reduction in power use and many other benefits.

*Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release. The Canadian Securities Exchange has not in any way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.*

*This news release may include forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required under the applicable laws.*