

CROP ANNOUNCES PROPOSED RESTRUCTURING

January 10, 2020 - VANCOUVER, BRITISH COLUMBIA - CROP INFRASTRUCTURE CORP. (CSE: CROP) (OTC: CRXPF) (Frankfurt: 2FR) (“CROP” or the “Company”) announces a proposed restructuring to divest itself of its underperforming assets, monetize its producing assets and consolidate its share capital in order to facilitate future equity financings.

To date, the Company has offered real estate solutions for lease-to-licensed cannabis producers and processors by building, leasing and managing cannabis and hemp production facilities through membership interests and unsecured loans totaling CAD \$ 25,663,915 as of August 31, 2019 in a portfolio of six US-based limited liability entities as further summarized below (each, a “US LLC”).

After a strategic review of its assets, the Company intends to work with management and operators of the various US LLC’s in an effort to directly or indirectly sell such interests or the underlying assets thereof with the exception of Elite Ventures Group, LLC’s (Nevada) hemp related assets located in Nye County, Nevada.

The proposed sale of such assets will require the support and consent of the Company’s creditors. These include an aggregate of US\$1,500,000 in promissory notes payable to certain arm’s length parties, which became due and payable on March 31, 2020 and an aggregate of CAD\$5,250,000 in senior secured convertible debentures outstanding. The obligations under the debentures are collaterally secured by a general security agreement over all present and after acquired property of the Company; an unlimited guarantee from each of DVG LLC, Elite Ventures Group, LLC, Humboldt Holdings LLC, Ocean Green Management LLC, and Wheeler Park Properties, LLC (collectively, the “Secured LLCs”) collaterally secured by ancillary security agreements; a pledge of equity interest from the Company relating to its equity interests in each Secured LLC; and a first priority deed of trust lien on certain real property held by the Secured LLCs in California, Washington and Nevada (collectively, the “Security”).

To fund the proposed restructuring, the Company intends to consolidate its outstanding shares on a 15 for 1 basis pursuant to which it will issue one (1) post-consolidation share for every fifteen (15) pre-consolidation shares. The board of directors of the Company has fixed January 15, 2019 as the record date for the share consolidation. Following the consolidation, it is expected that the current 171,691,364 common shares currently issued and outstanding will be reduced to approximately 11,446,090 common shares. No fractional shares will be issued in connection with the consolidation with any such fractional shares being rounded to the nearest whole number. Shareholders do not need to take any action with respect to the consolidation. The Company’s transfer agent will send owners of common shares a DRS advice letter in lieu of a share certificate, which will represent the consolidated number of common shares to be received as a result of the consolidation. Until such time, each certificate representing common shares prior to the consolidation will be deemed for all purposes to represent the number of common shares to which the holder thereof is entitled as a result of the consolidation.

To fund the Company's operations in the short term, it has accepted short term loans totaling \$349,900. Following the proposed consolidation, the Company intends to pursue options for an equity financing on terms to be determined.

Pursuant to the policies of the Canadian Securities Exchange, the Company expects to change its name to "Vert Infrastructure Corp" and, effective at the commencement of trading following the share consolidation, is expected to trade its common shares under the new stock symbol "VVV".

The Company is also considering changes to both its management and board of directors (the "**Board**"). In the event there are any changes to either the Board or management, the Company will advise shareholders of such change via subsequent news release.

Nevada Operations

Elite Ventures Group, LLC – 49% Membership Interest

Elite Ventures Group, LLC ("**Elite**") is a Nevada limited liability company in which CROP holds a 49% membership interest with an option to increase its membership interest to 83%. Elite owns a 1,012-acre THC Cannabis farm located in Esmerelda County, Nevada (the "**Esmerelda Property**") and a 315 acre Hemp CBD farm located in Nye County, Nevada (the "**Nye Property**") as well as all infrastructure, buildings, chattels and farming equipment located thereon. Isogenics LLC, Elite's Esmerelda Property operations partner, holds the THC cultivation, production and distribution licenses registered on the Esmerelda Property (the "**Esmerelda License**"). The Hempire LLC ("**Hempire**"), Elite's Nye Property operations partner, holds a Hemp production license registered on the Nye Property (the "**Nye License**"). ELITE holds an option to acquire each of the Esmerelda License and the Nye License for US\$100 and US\$1.00 respectively.

Following the Nevada Hemp crop loss of September 2019, the Company has received a demand letter from Elite's California off-take partner demanding the return of a CAD\$720,000 deposit paid to Elite pursuant to a CBD isolate supply agreement dated May 8, 2019 (the "**Supply Agreement**"). The demand was issued due to Elite's and Hempire's inability to supply 5,000 kilograms of CBD isolate by November 15, 2019. Elite has also received a demand later from two of its former landlords in Nevada totaling US\$262,000 and has trade payables in the amount of US\$160,000. The debenture holders have a first priority deed of trust lien over the Nye Property.

The Company is currently working with Elite's management to sell all of Elite's THC related assets, which proceeds are intended to be used to settle all of its outstanding debts, including all monies owed to the debenture holders under the debentures and an aggregate of \$13,639,184 of promissory notes payable to CROP. Elite intends to maintain its Hemp assets and its management is exploring various options to restructure its Hemp-related business operations.

California Operations

Humboldt Holdings LLC – 49% Membership Interest

Humboldt Holdings LLC ("**Humboldt**") is a California limited liability company in which the Company holds a 49% membership interest with an option to increase its membership interest to 70%. Humboldt

owns an 8.46 acre THC Cannabis farm located in Humboldt County, California (the “**Humboldt Property**”). The Humboldt Property currently houses a 10,000 square foot greenhouse as well as a barn, garage and residence. On site are five 5,000-gallon water tanks, a well and pump house and a 30 x 60 foot drying shed. Hempire, Humboldt’s Humboldt Property operations partner, holds the THC production license registered on the Humboldt Property (the “**Humboldt License**”). Humboldt holds an option to acquire the Humboldt License for \$1.00.

Hempire has harvested its 2019 THC Cannabis crop and is now assessing inventory of sellable flower, extractable material, filled vape cartridges and packaging. The Company has requested a full inventory report from Hempire so as to ascertain the timeline until it will be able to pay its lease and branding licensing payments. Humboldt has a final property payment of \$370,000 due in December of 2019. Hempire has advised Humboldt that its farm employees have been put on leave until further notice. The debenture holders have a first priority deed of trust lien over the Humboldt Property.

The Company is currently working with Humboldt’s management to sell all of Humboldt’s California THC assets, including the Humboldt Property, which proceeds are intended to be used to settle all of its outstanding debts, including an aggregate of \$3,274,568 in promissory notes payable to CROP.

Ocean Green Management LLC – 30% Membership Interest

Ocean Green Management LLC (“**Ocean Green**”) is a California limited liability company in which the Company holds a 30% membership interest. The primary business of Ocean Green was to complete the licensing process for retail locations in various counties that were accepting applications to hold the company’s tenant brands.

The Company has made advances to Ocean Green to fund its operations in the aggregate amount of \$73,242. The Company was unsuccessful in being issued any retail cannabis permits and as such is planning to write off its investment in Ocean Green.

Washington Operations

Wheeler Park Properties LLC – 49% Membership Interest

Wheeler Park Properties LLC (“**Wheeler Park**”) is a Washington limited liability company in which the Company holds a 49% membership interest with an option to increase its ownership to 70%. Wheeler Park owns 9 acres of land located in Grant County, Washington (the “**Wheeler Park Property**”). On site is a state-of-the-art 35,000 square foot cannabis greenhouse complete with hydroponic automation, 500 Gavita HPS grow lights and 5 flowering bays. The Company’s tenant grower, DRGG LLC dba Select Label (“**Select Label**”), holds a Tier 3 producer/processor license registered on the Wheeler Park Property.

The Company has requested Select Label provide a complete inventory report of the harvest and an update as to Select Label’s intention to derive profits sufficient to pay its lease and branding fees accrued and owing to Wheeler Park in the amount of US\$642,000. The Company has also requested Wheeler Park provide an update as to its intentions to cure notices of default on certain of its Washington assets. The debenture holders have a first priority deed of trust lien over the Wheeler Park Property.

The Company is currently working with Wheeler Park’s management to sell all of Wheeler Park’s assets, which proceeds are intended to be used to settle all of its outstanding debts, including an aggregate of \$6,507,938 in promissory notes payable to CROP.

DVG LLC – 30% Membership Interest

DVG LLC (“**DVG**”) is a Washington limited liability company in which the Company holds a 30% membership interest. DVG holds a lease with an option to purchase four acres of land located in Moses Lake, Washington (the “**Moses Lake Property**”). The Moses Lake Property is zoned for commercial cannabis production.

The Company is currently working with DVG’s management to sell all of DVG’s assets.

Oklahoma Operations

Oklahoma Ventures Group, LLC– 49% Membership Interest

Oklahoma Ventures Group, LLC (“**OVG**”) is an Oklahoma limited liability company in which the Company holds a 49% membership interest. OVG owns the leases, fencing and security equipment at its 20 acre THC Cannabis farm located in Purcell, Oklahoma (the “**Purcell Property**”). Handmade Cannabis Co. (“**Handmade**”), OVG’s Purcell Property operations partner, holds a medicinal Cannabis license registered on the Purcell Property.

Both OVG and Handmade have been unresponsive to CROP’s communications, requests and demands. The Company intends to pursue legal action to recuperate CAD \$338,225 advanced by CROP to OVG and receive its portion of the 2019 harvest or of OVG’s revenues once the Company is capitalized to do so.

About CROP Infrastructure Corp.

CROP is publicly listed on the CSE and trades under the symbol “CROP”, in the US on the OTC under the symbol “CRXPF”, and on the Frankfurt exchange under the symbol “2FR”. CROP has developed a portfolio of asset investments including; two in Washington State, medical and recreational in California, a 1,012-acre Nevada Cannabis farm and a 315-acre Hemp CBD farm.

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Disclaimer for Forward-Looking Information

This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward-looking statements in this news release include, but are not limited to, statements regarding the Company’s: (i) proposed share consolidation, name change and share capital information; (ii) the proposed restructuring including the sale of underperforming assets, monetization of operating assets, and receiving the consent and approval from creditors for the proposed restructuring;

and (ii) the Company's business plan going forward. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: the inability to fund operations as a going concern; inability to market and sell assets; ability of creditors and regulators to delay or prevent the proposed restructuring; general business, economic, competitive, political and social uncertainties; delay or failure to receive shareholder or regulatory approvals; ability of the Company to give effect to its business plan; and the uncertainties surrounding the cannabis industry in North America. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The CSE (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this news release.