



CannaRoyalty Announces Closing of the Sale of its Canadian Pre-Roll Technology License to Aurora Cannabis

- *Sale of CannaRoyalty's exclusive Canadian license follows the [sale of the Company's stake in Anandia Labs](#) and is aligned with stated commitment to create shareholder value by realizing gains on non-core assets*
- *CannaRoyalty's exclusive Canadian license valued at approximately \$7 million¹*

All financial figures in Canadian Dollars (\$) unless otherwise indicated

Ottawa, Canada – August 14, 2018 – CannaRoyalty Corp. (CSE:CRZ) (OTCQX:CNNRF) (“CannaRoyalty” or the “Company”), a leading North American cannabis products and brands company, today announced the closing of the [previously announced](#) sale of CannaRoyalty's exclusive Canadian license to use and commercialize the pre-roll technology developed by Wagner Dimas to Aurora Cannabis Inc., (“Aurora Cannabis”).

CannaRoyalty's exclusive Canadian license to use and commercialize pre-roll technology developed by Wagner Dimas was valued at \$7 million¹ (the “Purchase Price”) at the time of the execution of the [binding term sheet](#). The Purchase Price is settled in 756,348 Aurora Cannabis common shares¹, which have now been issued to the Company. The value of these shares based on the closing price of Aurora Cannabis common shares on August 13, 2018, was approximately C\$4.48 million.

“The sale of CannaRoyalty's Canadian license for the Wagner Dimas technology aligns with our stated commitment to create shareholder value by realizing value on high-quality assets, not directly used in the Company's distribution and brand network in its core market of California,” said Marc Lustig, Chairman and CEO of CannaRoyalty. “The gain on the Company's early investment in Wagner Dimas validates its early identification of attractive investment opportunities in strategically important segments of the North American cannabis value chain. We believe Aurora Cannabis' leading Canadian business and its global portfolio of cannabis assets will provide a value maximizing platform for Wagner Dimas' technology.”

¹ *\$9.255 per Aurora common share, based on the five-day volume weighted average price (VWAP) of Aurora Cannabis Inc. stock to market close on July 11, 2018.*

About CannaRoyalty

CannaRoyalty is a North American cannabis consumer product company currently focused on building a leading distribution business in California, the world's largest regulated cannabis market. By building a world-class logistics platform and supporting contract manufacturing assets, the Company intends to support the growth of new and established cannabis brands. The Company believes California, home to

some of the world's most discerning consumers and a nexus of information and trends, will be the point of inception for the global cannabis brands of the future. CannaRoyalty has developed a diversified portfolio of assets within the cannabis sector, including research, infrastructure and intellectual property to support our existing brands, partner products and distribution networks. The Company's leadership and staff combines passion and a hands-on understanding of the cannabis industry, with proven financial and legal expertise. CannaRoyalty's shares trade on the Canadian Stock Exchange (CSE) under the symbol CRZ and in the US on the OTCQX under the symbol CNNRF.

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Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in CannaRoyalty's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, anticipated timing for the Company's release of financial results, the execution of the Company's strategy, new opportunities, future growth and other statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CannaRoyalty, its subsidiaries, or its affiliates to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Although CannaRoyalty has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors and assumptions that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects that are engaged in activities currently considered illegal under US federal law; use of proceeds from divesting of non-core assets; timing for commencement and completion of the Bid, if at all; the number of common shares to be purchased under the Bid; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. CannaRoyalty disclaims any intention or obligation to update or revise such information, except as required by applicable law, and CannaRoyalty does not assume any liability for disclosure relating to any other company mentioned herein.