



## **CannaRoyalty Announces Closing of \$30 Million Private Placement**

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*All financial figures in Canadian Dollars (\$) unless otherwise noted.*

**Ottawa, Canada – July 12, 2018 – CannaRoyalty Corp. (CSE: CRZ) (OTCQX: CNNRF)** (“CannaRoyalty” or the “Company”), a leading North American cannabis products and brands company, is pleased to announce that it has closed its [previously-announced](#), fully marketed private placement of unsecured convertible debentures for raising aggregate gross proceeds of C\$32,980,000 (the “Offering”). The Offering was comprised of up to 30,000 unsecured convertible debentures (the “Convertible Debentures”) of the Company at a price of \$1,000 per Convertible Debenture (the “Offering Price”). The Agents (as defined below) also partially exercised their option to arrange for purchases of additional Convertible Debentures (the “Over-Allotment Option”), raising an additional \$2.98 million in gross proceeds. The proceeds from the Financing will be primarily used by the Company to expand its footprint across California, as well as general corporate and working capital purposes.

Canaccord Genuity Corp. acted as lead agent for a syndicate of investment dealers, including Altacorp Capital Inc., Beacon Securities Ltd., Cormark Securities Inc., Sprott Private Wealth LP, Infor Financial Inc., and Mackie Research Capital Corporation (collectively, the “Agents”).

“We believe that California is the most attractive cannabis brands market in the world. The Offering will enable CannaRoyalty to further expand its footprint by building-out additional cross state distribution infrastructure and manufacturing capabilities, to better position us to meet the strong consumer demand we are seeing in the market,” noted Marc Lustig, CEO of CannaRoyalty.

The Convertible Debentures and the common shares issuable upon conversion thereof will be subject to resale restrictions under applicable Canadian securities laws for a period of four months following the closing date. The Company intends to apply to list the Convertible Debentures on the Canadian Securities Exchange. Listing will be subject to satisfying all of the Canadian Securities Exchange’s supplemental listing requirements and expiry of the four-month statutory hold period. A copy of the indenture governing the Convertible Debentures has been filed on the Company’s SEDAR profile.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, and these securities will not be offered or sold in any jurisdiction in which their offer or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), or any state securities laws of the United States. Accordingly, these securities will not be offered or sold to persons within the United States unless an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available.

### **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, statements relating to the execution of the Company's strategy, new opportunities, future growth, the intended listing of the Convertible Debentures on the Canadian Securities Exchange and other 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 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; 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.*