

Chemistree Comments on Recent Promotional Activity at Request of OTC Markets



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Chemistree Technology Inc. →

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VANCOUVER, June 13, 2019 /CNW/ - Chemistree Technology Inc. (CSE: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree"), has been requested by OTC Markets Group to comment on recent promotional activity. The Company first became aware of certain promotional third-party newsletter activities through a notification by OTC Markets on June 11, 2019.

The Company takes its investor relations practices seriously, including its obligations to release material information which might reasonably be expected to have significant effect on the market price or value of its securities.

Until recently, trading volumes for the Company's common shares on the OTCQB have been relatively minimal and sporadic. The Company notes that trading activity increased in early April 2019 and believes that activity can be attributed to several factors, namely: the successful conclusion of a short-form Prospectus offering and concurrent private placement on March 29, 2019, the subsequent news flow of some material advancements of the Company's business plan and the initiation of a broad investor awareness campaign undertaken by the Company. In July 2018, Chemistree engaged Contact Financial Corp. of Vancouver, BC ("CFC") and Adelaide Capital Markets Inc. of Toronto ("Adelaide") to provide strategic communications advice and investor relations services, respectively. Subsequently, in October 2018, the Company engaged Native Ads Inc. of New York City to provide strategic digital media services, corporate media

content consulting, sponsored article development, banner ad creative development, native ad creative development, social ad creative development, marketing, media buying, media placement, ad spend and data analytical services. These services constitute, in part, the promotional activity that is the subject of the OTC Markets Group's inquiry. In April of 2019 the Company engaged three firms: Investing News Network of Vancouver ("INN") for a one-year period; Global Financial Network Ltd. of Toronto ("Global") for a one-month period; and Wizard Media Group BVBA of Aspelare, Belgium ("Wizard") to assist the Company with an investor awareness campaign with an expected duration of six-months. These firms were the only third parties engaged by the Company to provide investor relations services, public relations services, marketing, or other related services including the promotion of the Company or its securities in the last 12 months.

The Company is not aware of any programs not directly authorized by the Company or by one of the Company's authorized service providers, including those listed above. In all such approved programs, the Company was directly involved in authorizing the content created by third-party service providers and the service providers were paid to distribute the content through their proprietary distribution channels and their industry relationships. All material information used in these marketing campaigns was already disseminated in the press releases and regulatory filings in accordance with applicable securities laws and no new information was included in the marketing campaigns that was not otherwise available through the Company's public filings or the website. The Company is not aware of any false or misleading content contained within the content distributed by those listed above.

After due inquiry, the Company confirms that it is not aware of any of its directors and control persons, its officers, directors, any shareholders owning 10% or more of the Company's securities, or any third-party service providers that may have, directly or indirectly, been involved in any way (including payment of a third-party) with the creation, distribution, or payment of promotional materials related to the Company and its securities, other than that which has been disclosed in this news release.

After due inquiry of management, the directors, control persons, and any third-party service providers, the Company, its officers, directors, any controlling shareholders, or any third-party service providers have sold or purchased the Company's securities within the past 90 days, except that the Company can confirm that a director and officer purchased 50,000 shares on June 5th through the facilities of the Canadian Securities Exchange (the "CSE"), and that the

required regulatory filing for this purchase was made on June 6th. This director has not sold any shares. In addition, CFC has confirmed that it has purchased 98,500 shares and sold 103,500 shares through the facilities of the CSE in the last 90-days.

Other than as disclosed above, the Company has not engaged any third-party providers to provide investor relations services, public relations services, marketing, or other related services including the promotion of the Company or its securities in the last twelve months.

The Company has not issued any convertible instruments allowing conversion to equity securities at prices that constituted a discount to the current market rate at the time of the issuance of such convertible instruments. The Company has also not issued shares at a discount to the market price, except to the extent that such shares are issued pursuant to terms of convertible instruments (where as noted above, the exercise or conversion price was at or above the market price at the time of the issuance of the convertible instruments).

About Chemistree Technology Inc.

Chemistree Technology Inc. is an investment company dedicated to the U.S. cannabis sector, endeavoring to provide turn-key solutions for the regulated cannabis industry. The Company's corporate strategy is to acquire and develop vertically integrated cannabis assets, leveraging management's decades of expertise in the cannabis industry and corporate finance to own and operate licensed cultivation, processing, distribution and retail facilities. Outside of Washington State, Chemistree owns the exclusive worldwide rights to the Sugarleaf brand. For more information, visit www.Chemistree.ca.

Advisory

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States.

Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S.

federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defence to any federal proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third-party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, are included in the Prospectus, the Company's annual information form and other documents incorporated by reference therein and in the Company's Form 2A listing statement filed with the CSE and available under the Company's profile on SEDAR at www.sedar.com.

"Karl Kottmeier"

President

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 news release.

Information set forth in this news release includes forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", "budget", "scheduled" and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others,

the risks identified in the Company's reports and filings with the applicable Canadian securities regulators, including, without limitation, all risks in and incorporated by reference into the Company's annual information form.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

SOURCE Chemistree Technology Inc.

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